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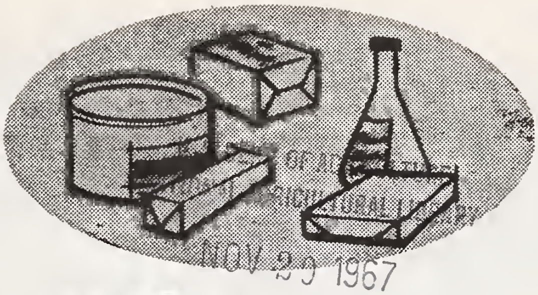


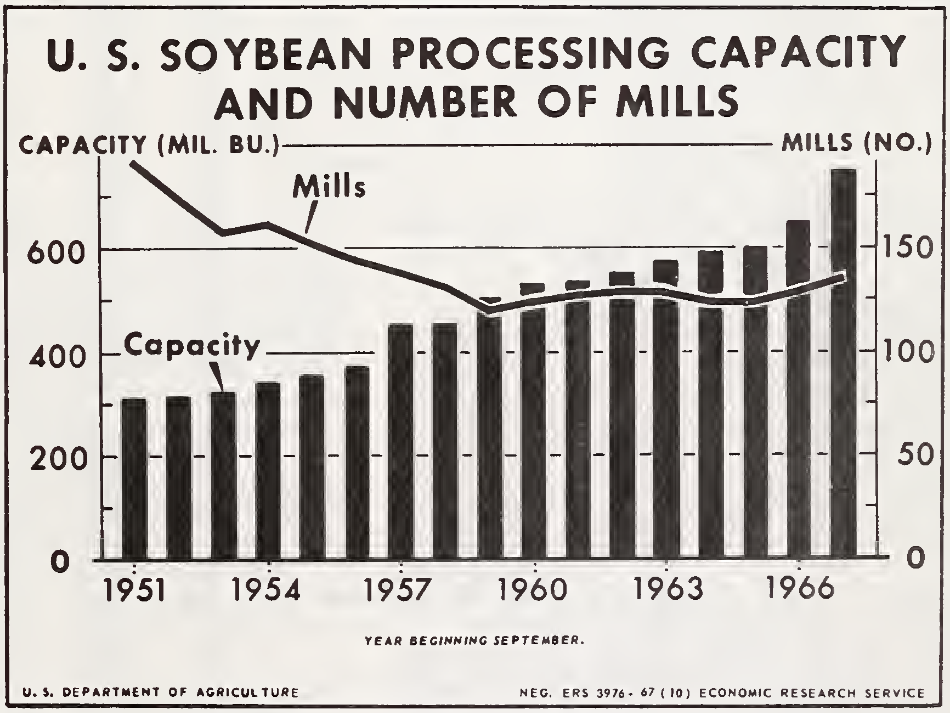
NOV 20 1967

FATS and OILS SITUATION

FOS-240 For 3:00 P.M. (EST) Release, November 9, 1967

The U.S. soybean processing industry continues to expand its plant capacity--to an estimated 750 million bushels during 1967/68. This is nearly 2 1/2 times capacity in 1951/52. The efficiency and capacity per plant increased markedly during this period, as the number of processing mills declined from 193 in 1951/52 to 135 in 1967/68.

Soybean crushings have increased in about the same proportion as processing capacity, but every year there has been unused capacity. During the 1951-66 period, the ratio of utilized capacity (crushings) to total capacity has averaged about 80%. (See page 35).



U. S. SOYBEAN PROCESSING CAPACITY AND NUMBER OF MILLS

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 3976- 67 (10) ECONOMIC RESEARCH SERVICE

IN THIS ISSUE

U.S. SOYBEAN PROCESSING CAPACITY CONTINUES EXPANSION (Page 35)

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Table 1.--Wholesale and retail prices per pound for fats and oils

Item	September		1967		
	1965	1966	July	August	September
	Cents	Cents	Cents	Cents	Cents
Wholesale Prices:					
Butter, creamery, Grade A, (92-score) bulk, New York	62.8	75.4	67.3	67.8	67.8
Butter, creamery, Grade A, (92-score) bulk, Chicago	62.2	74.9	66.5	67.1	67.1
Butter, creamery, Grade A, (92-score) prints, San Francisco	73.3	86.8	79.8	79.8	78.8
Castor oil, dehydrated, tanks, New York	24.6	25.0	27.0	27.0	27.0
Castor oil, No. 1, Brazilian, tanks, imported, New York	14.4	15.3	18.7	19.0	19.3
Castor oil, No. 1, tanks, f.o.b., New Jersey mills	15.7	16.7	---	---	---
Coconut oil, crude, tank cars, Pacific Coast, f.o.b. mills 1/	14.9	12.3	13.9	14.1	15.0
Coconut oil, crude, tanks, f.o.b. New York 1/	14.9	12.5	13.9	14.2	14.8
Coconut oil, refined, drums, l.c.l., New York 1/	22.0	20.0	21.1	21.1	21.1
Cod oil, spot, drums, New York	12.5	10.2	9.0	8.7	8.5
Codliver oil, medicinal, U. S. P., barrels, New York	19.5	19.5	19.5	19.5	19.5
Corn oil, crude, tank cars, f.o.b. Midwest mills	13.0	14.8	11.6	11.9	12.7
Corn oil, refined, tanks, New York	15.8	17.9	14.4	14.8	15.3
Cottonseed oil, crude, tank cars, f.o.b., S. E. mills	11.0	15.4	11.9	11.9	12.0
Cottonseed oil, crude, tank cars, f.o.b., Valley	10.8	15.2	11.8	11.8	11.9
Cottonseed oil, crude, tank cars, f.o.b., Texas	10.9	15.3	11.8	11.6	11.7
Cottonseed oil, p.s.y., bleachable, tank cars, New York 2/	12.5	16.8	13.4	13.5	13.4
Cottonseed oil, refined, tanks, New York	13.3	18.2	14.5	14.4	14.4
Degras, Lanolin technical, drums, New York	40.0	22.0	22.0	22.0	22.0
Glycerin, soaplye, tanks, New York 3/	13.8	14.9	16.2	16.2	16.2
Grease, A white, tank cars, delivered Chicago	7.3	7.7	5.4	5.3	5.3
Grease, B white, delivered, Chicago	6.9	6.8	4.8	4.8	4.6
Grease, yellow, delivered, Chicago	6.5	6.5	4.5	4.5	4.4
Grease, white, choice, tanks, New York	8.6	8.4	5.6	5.7	5.8
Grease oil, extra No. 1, drums, Chicago	13.5	13.5	13.5	13.5	13.5
Lard, loose, tank cars, Chicago	12.3	11.4	7.3	7.7	7.3
Lard, prime steam, tierces, Chicago	12.3	11.4	7.2	7.8	7.2
Lard, refined, 1-pound cartons, Chicago 4/	18.8	17.0	12.9	13.3	13.1
Linseed oil, raw, tank cars, Minneapolis	12.8	12.6	12.8	12.8	12.7
Linseed oil, raw, tanks, New York	13.9	13.6	13.9	13.9	13.7
Margarine, colored, delivered, Eastern U. S.	26.1	27.4	25.6	25.6	25.6
Margarine, yellow, quarters, f.o.b., Chicago	26.0	26.1	25.5	25.6	25.6
Margarine, white, domestic vegetable, Chicago	24.0	23.1	22.5	22.6	22.6
Menhaden oil, crude, tanks, f.o.b., Baltimore	9.1	9.5	6.8	6.5	6.0
Menhaden oil, light pressed, tanks, New York	11.3	11.3	10.5	10.5	10.5
Neat's foot oil, 30°, drums, carlots, New York	27.0	27.0	27.0	27.0	27.0
Oiticica oil, drums, f.o.b., New York	25.0	19.8	19.0	19.0	19.0
Oiticica oil, tanks, New York	22.8	17.8	16.9	17.0	17.0
Oleo oil, extra, drums, Chicago	18.2	19.8	19.8	19.8	---
Olive oil, imported, edible, drums, New York	36.0	37.1	38.0	38.0	38.0
Palm oil, clarified, drums, f.o.b. New York 5/	15.0	15.2	14.5	14.5	14.5
Palm oil, Congo, tank cars, f.o.b., New York	13.0	12.8	12.5	12.5	12.5
Palm kernel oil, bulk, c.i.f., New York 5/	13.8	12.8	12.9	13.5	13.0
Peanut oil, crude, tank cars, f.o.b. S. E. mills	12.5	14.2	11.5	11.5	11.9
Peanut oil, refined, tanks, New York	15.2	17.4	13.8	14.1	14.3
Rapeseed oil, refined (denatured), tanks, New York	15.5	15.2	15.2	15.2	15.2
Safflower oil, nonbreak, tanks, East Coast	15.3	16.8	13.9	13.6	13.3
Sesame oil, refined, drums, New York	33.0	37.0	40.8	40.8	40.8
Shortening, all vegetable, hydrogenated, 440-lb. drums, New York	23.0	23.8	20.5	20.2	21.2
Shortening, all vegetable, hydrogenated, 3 lb. tins, delivered, Eastern U.S.	25.8	28.7	26.3	26.3	26.1
Soybean oil, crude, tank cars, f.o.b., Decatur	11.4	12.3	9.1	9.6	9.3
Soybean oil, refined, tanks, New York	13.8	13.5	11.3	11.8	11.4
Soybean oil, clarified, tanks, New York	13.4	14.1	13.4	11.5	11.0
Sperm oil, natural, 45°, drums, New York	14.5	14.5	14.5	14.5	14.5
Sperm oil, bleached, winter 45°, drums, New York	15.5	15.5	16.3	17.5	17.5
Tall oil, crude, tanks, works	3.5	3.1	3.1	3.1	3.1
Tall oil, refined, tanks, works	7.5	7.5	7.5	7.5	7.5
Tallow, edible, loose, Chicago	12.1	11.4	6.6	7.9	7.5
Tallow, inedible, packers' prime, c.a.f. delivered, Chicago	7.2	7.1	4.9	5.0	4.9
Tallow, inedible, bleachable fancy, delivered, Chicago	7.9	7.6	5.2	5.2	5.3
Tallow, No. 1, inedible, delivered, Chicago	6.7	6.5	4.5	4.5	4.4
Tallow, special, inedible, tanks, delivered, New York	7.5	6.9	5.0	5.0	5.4
Tung oil, imported, drums, f.o.b., New York	26.9	22.0	14.0	13.4	13.9
Tung oil, tanks, New York	24.9	19.5	12.0	11.4	11.9
Tung oil, domestic, tanks, f.o.b. mills	25.2	24.0	24.0	24.0	24.0
Retail prices 6/					
Butter	75.7	88.1	82.6	82.6	83.3
Margarine	27.9	29.1	28.0	27.9	28.0
Shortening	29.1	30.2	29.6	29.2	28.8
Salad Dressing (Italian)	74.6	75.8	74.6	74.6	75.2
Peanut Butter	60.0	60.3	58.3	58.7	58.7
Cooking and Salad oils	35.3	39.5	35.8	35.8	36.0

1/ 3-cent processing tax suspended beginning October 1957.
2/ Nearby futures.
3/ Beginning January 1965, average of weekly prices, New York Journal of Commerce.
4/ Beginning April 1966, one and two pound prints.
5/ 3-cent processing tax suspended beginning July 1959.
6/ Leading cities.

THE FATS AND OILS SITUATION

Approved by the Outlook and Situation Board, November 3, 1967

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SUMMARY

The outlook for fats and oils in the 1967/68 marketing year will be largely influenced by record supplies of edible fats, oils, and oilseeds. Stocks of food fats (including oil equivalent of soybean carryover) on October 1, 1967, were sharply above a year earlier. Output is up 4 percent. The U.S. supply of edible fats, oils, and oilseeds in 1967/68 will be around 19.0 billion pounds, 8 to 9 percent greater than the 17.5 billion pounds (oil equivalent of oilseeds) for the year just ended. With abundant supplies of most oilseeds and peanuts, farm prices in 1967/68 will likely average near support levels and below a year ago.

With availabilities of food fats (including oil equivalent of oilseeds) in 1967/68 well in excess of domestic requirements, some buildup in soybean stocks probably will take place, despite anticipated heavy export movement of food fats and oils and soybeans. Exports of food fats and oils (including oil equivalent of soybeans) likely will be somewhat larger than the 4.6 billion pounds moved out during 1966/67. Competition in world markets will continue strong although the final outcome of major foreign crops is still not known. But lower average U.S. prices might improve our competitive position in export markets.

The 1967/68 supply of soybeans is estimated at 1.1 billion bushels, 12 percent more than last year. Prices to farmers during the current harvesting season are averaging a little under the national support rate of $2.50 per bushel. Prices later in the season are expected to return to the loan level and likely will average in coming months around the support level.

Soybean crushings for the marketing year that started September 1, 1967, may reach as high as 600 million bushels, compared with 551 million in 1966/67. The exact figure will depend upon such factors as competition from foreign crops and our ability to export soybean oil. U.S. soybean processing capacity during 1967/68--estimated at around 750 million bushels--is adequate to handle a record crush. (See page 35 for special article on processing capacity).

Soybean meal demand in 1967/68 again will be stronger than commercial demand for soybean oil. Domestic use of soybean oil will be greater than last year.

Even so, unless total edible vegetable oil (soybean and cottonseed) exports exceed the 1.2 billion pounds exported in 1966/67, a possible buildup in oil inventories may occur. Supply and demand prospects for soybean oil and soybean meal during 1967/68 probably will lead to average prices moderately lower than last year. Oil prices at Decatur in early November were around 8½ cents per pound, about 2 cents below November 1966; meal price, at $70 per ton, is about $8 less than a year ago.

Soybean exports in 1967/68 may rise to around 280 to 300 million bushels, compared with 257 million last season. Lower U.S. prices strengthen export prospects for U.S. soybeans. Prospective increases in exports and the domestic crush probably will not match this year's record soybean crop. As a result some further stock buildup is likely and present indications point to stocks next September perhaps 1½ times the 91 million bushels this year.

Cottonseed production in 1967/68 is estimated at 3.3 million tons, 16 percent below 1966, and 45 percent below that of 2 years ago. Prices to farmers this fall are averaging $53 per ton, slightly above the CCC support price of $48 per ton but well below the $65 received during August-October 1966. Cottonseed product prices are lower this year than last and seed quality is off. Cottonseed oil output in 1967/68 (year beginning August 1) is forecast at 1.0 billion pounds, compared with 1.3 billion last year. Cottonseed oil prices are expected to be a little lower than in 1966/67, averaging about 2 cents per pound above soybean oil.

Lard output in the 1967/68 marketing year that started October 1 is expected to total close to the 2.1 billion pounds of last year. Hog slaughter may not be much different than during 1966/67 and the trend toward lower yields of lard per hog probably will continue. U.S. lard exports will face increased competition during 1967/68, due partly to the EEC lard export subsidy of $60 per metric ton (2.7 cents per pound). The United Kingdom accounts for about three-fourths of U.S. lard exports. Lard prices in 1967/68 probably will average lower than last year.

Creamery butter production for the fats and oils marketing year that started October 1, 1967, is expected to be down slightly from the 1.2 billion pounds in 1966/67. However, total supplies during 1967/68 probably will be greater, due to heavy carryover stocks this October 1. Domestic disappearance is expected to increase slightly during 1967/68, as CCC donations for domestic programs rise. Unless there is a change in dairy programs, prices to farmers for butterfat in farm-separated cream may average near the CCC national support price of 68 cents per pound.

Peanut supplies for the 1967/68 marketing year that started August 1 are estimated at a record 2.9 billion pounds, about 3 percent more than last year. The bumper 1967 crop will provide a large surplus of peanuts above food and farm uses, and CCC will acquire the excess under the support program. Prices to peanut growers likely will average near the support price of $227 per ton (11.35 cents per pound). Bigger supplies of peanuts available in 1967/68 at steady prices will encourage the continuing increase in consumption for edible uses. Nevertheless, diversion of CCC acquired peanuts into crushing and export channels will remain heavy during the coming year.

Flaxseed supplies in the 1967/68 marketing year, that started July 1, are estimated at about 30 million bushels--25 percent less than last year. Domestic use (crushings and seed) is estimated at 21 million bushels, and exports may total about 4 million bushels, leaving around 5 million bushels for carryover stocks on July 1, 1968. Prices to farmers for 1967-crop flaxseed are averaging $2.96 per bushel, slightly above the support rate of $2.90 (farm basis) and last year's $2.92 per bushel. Flaxseed prospects in Canada and Argentina, the other major producers in the western hemisphere, also are below last year's.

Inedible tallow and grease supply in 1967/68 is forecast around 5.0 billion pounds, nearly the same as a year ago. Domestic use of inedible tallow is estimated at 2½ billion pounds and exports may increase slightly from the 2.2 billion pounds in 1966/67. The outlook is for inedible tallow prices to continue steady at a relatively low level, probably not much different from the 1966/67 average.

SITUATION AND OUTLOOK

SOYBEANS

1967 Harvest Prices Dip Under Support

The 1967 soybean crop, as of October 1, is estimated at a record 994 million bushels, compared with 931 million last year. Soybean acreage being harvested for beans is up 10 percent, while October 1 yield prospects--at 24.8 bushels--are down slightly from 1966 (table 2). Since 1956, the U.S. soybean yield has remained on a plateau, varying between 21.8 bushels per acre that year and the 1966 peak of 25.4 bushels. The estimated 1967 crop plus the carryover of 91 million bushels, brings the total 1967/68 supply for the marketing year that started September 1 to 1,084 million bushels--12 percent more than a year earlier (table 3).

The 1967/68 U.S. season average price received by farmers for soybeans is expected to average around $2.50 per bushel--approximating the support price. This would compare with $2.77 per bushel (weighted by monthly sales) received in 1966/67. Prices to farmers for soybeans during October 1967, a heavy marketing month, averaged $2.44 per bushel, 34 cents below October 1966. Farm prices during most of the 1967 harvesting season are expected to average close to the support rate. Later in the season, market prices are expected to strengthen but may continue around the loan rate. Storage facilities are limited in some southern areas where soybean acreage increased sharply this year and many farmers are selling their soybeans at harvest this fall. Processors, and to some extent exporters, usually buy a sizable proportion of their year's requirements at harvest when prices are seasonally low. When this has occured in recent years, soybean utilization for the entire year expanded sharply. Last year, prices peaked at harvest time and users did not acquire large quantities during this period. With a record crop and prices at the loan level, many farmers are storing their soybeans and placing them under support.

The U.S. average support price for 1967-crop soybeans is $2.50 per bushel, the same as for 1966. Loans are available from harvest through June 30, 1968, and will mature on July 31, 1968. The CCC currently owns about 7.4 million bushels of 1966-crop soybeans and another 14.4 million bushels were resealed (loan extension) in farm storage, as of October 1. About 152 million bushels of 1966-crop soybeans were placed under loan, of which 120 million were repaid. The unaccounted for difference of about 10 million bushels were either acquired by CCC or resealed.

The minimum CCC sales price for No. 1 grade soybeans on September 1, 1967 was $2.725 per bushel. The $2.725 is computed by adding 5 percent (12.5 cents) to the national average support price of $2.50, plus 5 cents for conversion from No.2 to No. 1 grade soybeans, plus 5 cents for warehouse receiving charge. This national average minimum CCC sales price will increase at the rate of 1.5 cents per month for No. 1 grade soybeans as follows:

September	$2.725	March	$2.815
October	$2.740	April	$2.830
November	$2.755	May	$2.845
December	$2.770	June	$2.860
January	$2.785	July	$2.860
February	$2.800	August	$2.860

The CCC sale price will be the higher of this minimum or the market price.

Table 2.--Soybeans: Acreage, yield and production by States, crop years 1964-67

State	Acreage harvested				Yield per acre harvested				Production				Price per bushel received by farmers Season average			
	1964	1965	1966	1967 1/	1964	1965	1966	1967 1/	1964	1965	1966	1967 1/	1964	1965	1966	1967 2/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bu.	Bu.	Bu.	Bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Dol.	Dol.	Dol.	Dol.
Illinois	5,734	6,021	5,901	5,842	25.0	29.5	27.0	31.0	143.4	177.6	159.3	181.1	2.69	2.63	2.80	2.49
Minnesota	2,852	3,166	3,356	3,658	20.0	18.5	24.0	20.0	57.0	58.6	80.5	73.2	2.60	2.65	2.70	2.46
Indiana	2,734	2,871	2,814	2,842	24.5	28.0	26.0	26.0	67.0	80.4	73.2	73.9	2.64	2.48	2.80	2.48
Iowa	4,254	4,850	5,092	5,652	28.5	26.0	29.5	26.0	121.2	126.1	150.2	147.0	2.57	2.61	2.75	2.47
Missouri	2,676	3,051	3,417	3,485	21.0	26.0	25.0	22.0	56.2	79.3	85.4	76.7	2.58	2.43	2.75	2.45
Ohio	1,825	2,044	2,105	2,231	22.5	24.5	28.5	24.0	41.1	50.1	60.0	53.5	2.66	2.59	2.80	2.52
Arkansas	3,318	3,550	3,728	4,026	20.0	21.5	22.5	23.0	66.4	76.3	83.9	92.6	2.65	2.56	2.80	2.50
Mississippi	1,293	1,461	1,797	2,174	19.0	22.5	24.0	25.0	24.6	32.9	43.1	54.4	2.68	2.48	2.80	2.55
North Carolina	681	776	869	1,017	23.5	25.0	24.0	27.0	16.0	19.4	20.9	27.5	2.63	2.42	2.85	2.55
South Carolina	677	806	879	1,046	21.5	21.0	22.0	24.0	14.6	16.9	19.3	25.1	2.59	2.53	2.80	2.54
Tennessee	586	732	871	1,115	23.0	23.5	24.5	25.0	13.5	17.2	21.3	27.9	2.56	2.40	2.80	2.48
Kansas	642	873	917	899	18.0	21.0	22.5	22.0	11.6	18.3	20.6	19.8	2.51	2.39	2.70	2.41
Nebraska	523	696	786	825	22.0	23.5	29.5	23.0	11.5	16.4	23.2	19.0	2.48	2.42	2.70	2.41
Louisiana	454	622	871	1,280	20.0	21.5	25.0	24.0	9.1	13.4	21.8	30.7	2.51	2.41	2.85	2.54
Michigan	331	440	480	552	22.5	22.0	22.5	21.0	7.4	9.7	10.8	11.6	2.64	2.56	2.75	2.44
Other States	2,213	2.490	2,761	3,479	18.2	21.3	20.6	22.9	40.3	53.0	58.0	79.7	2.54	2.43	2.43	2.45
United States	30,793	34,449	36,644	40,123	22.8	24.5	25.4	24.8	700.9	845.6	931.5	993.7	2.62	2.54	2.77	2.48

1/ October 1 indication. 2/ September-October average

Table 3.--Soybeans: Supply and disposition, acreage and price, marketing year beginning September 1, 1955-67

Item	Year beginning September												
	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966 1/	1967 1/
	Supply and Disposition (Million bushels)												
Supply													
Stocks, Sept. 1 2/	22.6	21.0	31.6	42.8	87.8	51.8	27.1	78.3	46.0	67.3	29.7	35.6	90.6
Production	373.7	449.3	483.4	580.2	532.9	555.1	678.6	669.2	699.2	700.9	845.6	931.5	4/993.7
Total supply	396.3	470.3	515.0	623.0	620.7	606.9	705.7	747.5	745.2	768.2	875.3	967.1	1,084.3
Disposition													
Crushings	281.9	313.6	351.0	398.8	394.0	406.1	431.4	472.8	436.8	479.0	537.5	551.3	600
Exports	68.6	83.7	88.4	105.0	139.9	134.7	149.4	180.5	187.2	212.2	250.6	257.1	290
Seed	25.8	26.4	29.5	27.4	29.3	32.5	33.3	34.6	36.0	40.3	42.9	46.6	[
Feed	1.6	1.6	1.7	1.9	1.5	1.3	1.3	1.1	.9	.9	.9	.9	[59
Residual	-2.6	13.4	1.6	2.1	4.2	5.2	12.0	12.5	17.0	6.1	7.8	20.6	[
Total disposition	375.3	438.7	472.2	535.2	568.9	579.8	627.4	701.5	677.9	738.5	839.7	876.5	949
Stocks, Aug. 31 2/	21.0	31.6	42.8	87.8	51.8	27.1	78.3	46.0	67.3	29.7	35.6	90.6	135
	Acreage and Yield (Million acres)												
Acreage grown alone	19.7	21.7	21.9	25.1	23.3	24.4	27.8	28.4	29.5	31.6	35.2	37.4	41.0
Acreage harvested 3/	18.6	20.6	20.9	24.0	22.6	23.7	27.0	27.6	28.6	30.8	34.4	36.6	40.1
Percent harvested (%)	94.4	94.9	95.4	95.6	97.0	97.1	97.1	97.2	96.9	97.2	97.7	97.9	97.8
	(Bushels)												
Yield per acre harvested	20.1	21.8	23.2	24.2	23.5	23.5	25.1	24.2	24.4	22.8	24.5	25.4	24.8
	Price (Dollars)												
Price per bushel													
Support	2.04	2.15	2.09	2.09	1.85	1.85	2.30	2.25	2.25	2.25	2.25	2.50	2.50
Received by farmers	2.22	2.18	2.07	2.00	1.96	2.13	2.28	2.34	2.51	2.62	2.54	2.77	2.50
No. 1 yellow, Ill. Pts.	2.51	2.33	2.20	2.12	2.07	2.53	2.41	2.50	2.59	2.81	2.91	2.86	
No. 1 yellow, Chicago	2.59	2.43	2.28	2.22	2.17	2.60	2.49	2.59	2.67	2.88	2.98	2.93	

1/ Preliminary. 1967 disposition is forecast. 2/ Estimates prior to 1965. For method, see August 1965 FOS-229, table 2, page 6. 3/ For beans. 4/ Indicated October 1.

1967-Crop Soybeans Eligible for Reseal on Farm or in Warehouses

USDA announced on October 26 that 1967-crop soybeans (also wheat, corn, sorghum, oats, and barley) under price-support loans in on-farm storage, or in commercial storage, will be eligible for loan extensions (reseal) before loans mature on July 31, 1968. All farmers who are eligible for price support on 1967 crops will be eligible for reseal either on the farm or in commercial storage. Storage costs accruing during the reseal period will be paid by CCC. These payments will be made to farmers who provide farm storage or who prepay warehouse storage charges for the extended period. If warehouse charges are not prepaid, CCC will make these payments for the extended period direct to the storing warehouseman.

Producers may redeem reseal soybeans at any time. Under the 1967-crop reseal program, price-support loans on stored soybeans will be extended beyond the 1968 maturity date until called. CCC retains the option to call reseal loans at any time the stocks are needed. Storage rates on the 1967 crops now eligible for reseal will be announced later. Farm storage charges paid by CCC will be comparable to that paid under the Uniform Grain Storage Agreement for CCC stocks and stocks under commercial reseal. Announcement concerning continuance of reseal loans on farms for 1966-crop soybeans will be made prior to maturity date.

Crushings to Set New Record; Processing Capacity Expanding

Soybean crushings for the 1967/68 marketing year that started September are expected to rise to around 600 million bushels, up from last year's record of 551 million bushels (table 3). Prospective crushings reflect primarily projected requirements for soybean meal. A strong demand for meal again will result in a sizable oil surplus. Domestic use of soybean oil will be greater than last year in part because cottonseed oil production is down sharply. However, more safflower, sunflower, and peanut oils will be available during 1967/68. (See September 1967, _Fats and Oils Situation_, FOS-239, pages 25-31, for special article on U.S. sunflower oil in 1967/68.)

Trade sources estimate the U.S. soybean processing capacity during the 1967/68 marketing year at around 750 million bushels, about 15 percent more than the 650 million bushels last year. Based on this estimate, the soybean industry will be operating at around 80 percent of capacity, which is about equal the long run utilization rate. (See page 35 for special article on processing capacity trends.)

The growth in soybean utilization (crushings, exports, seed, and feed) during 1953-65 has averaged 46 million bushels annually. This is an annual rate of increase approximating 10 percent. This rate fell to 4 percent during the 1966/67 marketing year. Only in 1960/61 and 1963/64 was annual growth in utilization less than in 1966/67; in 1960/61, utilization was restricted by lack of supply.

Growth in soybean utilization was limited in 1966/67 by increased soybean prices (they averaged $2.77 per bushel to the farmer, compared with $2.54 in 1965/66) and increased world competition from other oilseeds, fats, and oils. Russian sunflower seed and oil gave U.S. soybeans and soybean oil exports sharp competition this past year.

Soybean Exports Expected to Set New Record in 1967/68

Soybean exports during the 1967/68 marketing year are expected to increase, perhaps around 280 to 300 million bushels, compared with the 1966/67 record of 257 million bushels. From September 1 through November 3 this year, about 44 million bushels of soybeans were inspected for export compared with 39 million the same period in 1966. The expected increase in soybean exports reflects more competitive U.S. soybean prices in 1967/68 than the year before. Most of the increase is expected to go primarily to Continental Europe and Japan. During the 1966/67

Table 4.--Soybeans: United States exports by country of destination, 1959-66

Continent and country of destination	1959	1960	1961	1962	1963	1964	1965	1966 1/
	Year beginning September							
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
North America								
Canada	15,566	19,382	23,455	27,206	31,726	34,951	31,061	20,210
Cuba	1,013	213	---	---	---	---	---	---
Mexico	6	15	125	33	104	177	23	259
Other	---	---	---	---	2/	2/	137	9
Total	16,585	19,610	23,580	27,239	31,830	35,128	31,221	20,478
South America								
Venezuela	37	442	574	840	841	1,228	1,178	1,249
Other	2/	2/	2/	3	2/	6	148	3
Total	37	442	575	844	842	1,234	1,326	1,252
Western Europe								
Belgium-Luxembourg	4,193	4,437	5,837	5,076	6,206	7,242	8,267	8,812
Denmark	8,990	5,827	8,977	12,634	9,144	13,344	12,514	14,843
Finland	382	---	---	1,463	368	1,218	852	298
France	4,552	1,503	3,005	3,028	3,866	2,712	1,907	2,241
Germany, West	15,345	16,252	19,299	22,105	28,160	23,325	32,996	32,546
Italy	3,998	4,483	11,419	11,643	11,912	10,401	15,393	18,041
Netherlands	25,819	19,632	21,677	21,641	21,476	28,066	33,549	35,991
Norway	2,330	2,499	2,447	3,472	3,283	3,941	4,738	5,537
Spain	53	---	2/	833	1,616	7,601	17,501	27,356
Sweden	8	---	---	4	1	188	6	2
Switzerland	736	693	209	804	834	379	416	422
United Kingdom	3,390	4,587	4,102	6,690	5,978	7,127	8,293	3,840
Other	---	---	143	1	---	---	---	---
Total	69,797	59,913	77,114	89,394	92,845	105,545	136,432	149,929
Eastern Europe								
Czechoslovakia	---	778	462	626	595	491	1,141	761
Hungary	---	---	3	366	452	700	996	451
U.S.S.R. (Europe and Asia)	---	---	---	---	---	1,320	910	---
Poland	---	363	179	---	1,058	1,785	516	1,714
Other	22	---	---	4	135	561	22	532
Total	22	1,141	644	996	2,240	4,857	3,585	3,458
Africa								
Morocco	419	580	296	600	561	418	---	---
Other	169	1	---	---	---	1	2/	---
Total	588	581	296	600	561	419	2/	---
Asia and Oceania								
Hong Kong	244	230	156	320	114	1	24	9
Israel	6,576	5,196	5,760	6,410	8,182	6,913	8,660	9,434
Japan	39,276	39,922	37,348	47,643	45,130	49,298	61,971	60,562
Korea, South	1,432	847	700	420	379	---	---	801
Philippines	21	44	44	238	574	495	1,231	11
Taiwan	5,057	6,449	2,688	5,962	4,005	7,648	5,859	10,976
Other	293	293	513	395	498	637	280	230
Total	52,898	52,981	47,209	61,388	58,882	64,992	78,025	82,023
Other Countries	4	3	2	1	---	---	---	---
Grand total	139,931	134,670	149,420	180,463	187,201	212,175	250,591	257,142

1/ Preliminary.
2/ Less than 500 bushels.

Totals computed from unrounded numbers.

marketing year, soybean prices reached their seasonal peak during the fall harvest and subsequently declined, contrary to the normal seasonal price movements. The U.S. average soybean price received by farmers this October was 12 percent below October 1966.

Western European countries, Japan, Canada, Israel, and Taiwan are the major foreign markets for U.S. soybeans, accounting for about 98 percent of U.S. soybean exports in 1966/67 (table 4). These economically advanced dollar markets use soybeans as a source of animal feeds and as an edible oil in food products. Japan buys large quantities for use as edible protein. Spain has become a significant outlet for U.S. soybeans, taking 27 million bushels last year compared with 18 million in 1965/66. Under the Kennedy Round negotiations, Japan agreed to reduce its 13 percent duty on soybeans to about 6 percent ad valorem at current prices. This reduction--which will take place in 4 stages, July 1, 1968 to January 1, 1972--should lower internal prices in Japan and thereby encourage demand for U.S. soybeans and meal for the expanding Japanese livestock industry.

The United States accounts for about 75 percent of the world production of soybeans and Mainland China about 20 percent. However, the United States accounts for over 90 percent of world exports of soybeans and products.

Soybean exports from Mainland China in 1967 are not expected to vary greatly from last year's estimated 20 million bushels. Chinese commitments to Japan under terms of 5-year agreement are 10 percent less than the 280,000-ton level (10 million bushels) of the 2 previous years, but this decline could be offset by increased purchases by so-called "Friendly Firms", unless hampered by current disorders or the current political situation in China. Moreover, since movement of Chinese soybeans to Europe may be reduced by the closing of the Suez Canal, an increased quantity may be shipped to Japan.

Soybean production in Brazil has been trending upward and is estimated this year at a record 25 million bushels. Despite increasing domestic utilization of soybean oil as an edible oil, Brazil is expected to export a record 10 million bushels of soybeans this year.

SOYBEAN OIL

Domestic Requirements Greater; Export Availability Increases

The projected increase in the soybean crush and the larger soybean oil carryover this October would result in a record 7.0 billion pound supply of soybean oil for the 1967/68 marketing year. This is about a tenth above the 1966/67 level of 6.4 billion pounds (table 5). Carryover stocks on October 1, 1967, were 0.6 billion pounds (crude and refined)--up slightly from the 0.5 billion the same date last year. Estimated output for 1967/68 is 6.4 billion pounds. Domestic disappearance is forecast at 5.1 billion pounds, leaving around 1.3 billion pounds of the current year's output available for export during the year, or increasing carryover stocks on September 30, 1968.

Factors influencing prospective domestic disappearance of soybean oil during 1967/68 include: (1) lower and more steady soybean oil prices are expected this marketing year than last; (2) reduced supplies of cottonseed oil for the third consecutive year; (3) no significant change in the production of animal fats; (4) more butter moving into domestic donation programs; (5) reduced availability of imported palm oils, but increases in domestically produced oils such as safflower, sunflower, and peanut; and (6) further increases in population and consummer incomes.

Soybean oil export prospects for the 1967/68 marketing year are uncertain at this time. Prospective supply and domestic use for 1967/68 suggest that approximately 1.3 billion pounds of soybean oil would be available for export, assuming no change in the carryover next

Table 5.--Soybean oil: Supply and disposition, crop years, 1960-67

Item	Year beginning October							
	1960	1961	1962	1963	1964	1965	1966 1/	Forecast 1967 2/
	(Million pounds)							
Supply								
Stocks, October 1	308	677	618	920	578	297	462	595
Production	4,420	4,790	5,091	4,822	5,146	5,800	5,972	3/6,400
Total supply	4,728	5,467	5,709	5,742	5,724	6,097	6,434	6,995
Disposition								
Domestic disappearance	3,329	3,540	3,624	4,058	4,069	4,688	4,738	5,100
Exports and shipments	721	1,308	1,165	1,105	1,357	947	1,101	
Total disposition	4,050	4,848	4,789	5,164	5,426	5,635	5,839	
Stocks September 30	677	618	920	578	297	462	595	
Price per pound	(Cents)							
Crude, tanks, Decatur	11.3	9.5	8.9	8.5	11.3	11.8	10.1	5/8.8

Soybean meal: Supply and Disposition, crop years, 1960-67

	(1,000 tons)							
Supply								
Stocks, October 1 4/	83	78	94	159	122	106	132	137
Production	9,452	10,342	11,127	10,609	11,286	12,901	13,303	14,200
Total supply	9,535	10,420	11,221	10,768	11,408	13,007	13,435	14,337
Disposition								
Domestic use	8,867	9,262	9,586	9,168	9,243	10,219	10,593	11,350
Exports and shipments	590	1,064	1,476	1,478	2,059	2,656	2,705	
Total disposition	9,457	10,326	11,062	10,646	11,302	12,875	13,298	
Stocks, September 30	78	94	159	122	106	132	137	
Price per ton	(Dollars)							
Bulk, Decatur	60.60	63.60	71.30	71.00	70.20	81.50	78.80	5/71.75

Price spread between soybeans and value of oil and meal per bushel, 1960-67

	Dollars per bushel of soybeans crushed							
Value of--								
Soybean oil, crude Decatur	1.24	1.04	.95	.93	1.23	1.26	1.08	
Soybean meal, bulk, Decatur	1.42	1.50	1.67	1.71	1.68	1.94	1.88	
Total	2.66	2.54	2.62	2.64	2.91	3.20	2.96	
Soybeans, No. 1 Yellow Ill. Pts.	2.55	2.41	2.53	2.58	2.81	2.95	2.81	
Processing spread	.11	.13	.09	.06	.10	.25	.15	

1/ Preliminary.

2/ Based on October 1967 indications.

3/ Based on a soybean crush of 600 million bushels and oil yield of 10.7 pounds and meal yield of 47.5 pounds.

4/ Stocks at processors' mills.

5/ October 1967 average.

Table 6.--Soybean oil: Supply, disposition and price, by months, crop years, 1955-1966

Year beginning October	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Total or average
							Production						
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	280	277	262	270	271	281	281	273	249	228	249	221	3,143
1956	302	285	290	305	287	313	298	290	272	269	277	244	3,431
1957	307	313	300	328	289	330	336	347	311	328	341	270	3,800
1958	353	351	360	386	355	381	366	386	355	344	319	297	4,251
1959	391	393	372	373	338	381	368	366	349	350	358	298	4,338
1960	391	404	414	426	378	381	363	377	353	345	334	253	4,420
1961	397	418	418	442	395	423	397	425	377	384	380	334	4,790
1962	429	452	450	456	413	452	386	444	422	414	427	346	5,091
1963	442	426	425	389	376	369	386	399	386	412	414	399	4,822
1964	482	468	465	463	408	448	416	448	406	403	408	330	5,146
1965	475	510	520	533	478	526	468	538	481	452	437	382	5,800
1966 1/	482	522	512	529	469	497	503	515	514	494	480	456	5,972
1967													
							Stocks, first of month						
1955	179	180	217	218	219	209	213	282	297	296	288	255	
1956	227	210	209	233	238	230	248	270	298	279	317	313	
1957	286	305	374	406	376	360	407	442	393	343	364	337	
1958	281	193	236	324	380	452	476	509	508	473	464	384	
1959	298	321	422	507	565	555	600	644	574	424	452	312	
1960	308	367	448	470	521	538	625	676	715	765	773	766	
1961	677	738	802	860	938	969	966	939	944	825	780	700	
1962	618	594	640	734	725	846	842	788	833	878	921	923	
1963	920	3/	899	988	1,022	1,006	991	922	873	815	759	666	
1964	578	538	533	544	587	606	614	578	573	522	499	423	
1965	297	373	401	375	415	444	486	522	582	590	598	511	
1966 1/	462	458	488	511	566	582	536	600	634	591	632	688	
1967	595												
							Exports 2/4/						
1955	12	31	55	47	45	43	32	48	41	58	70	76	556
1956	82	39	100	92	88	129	73	60	62	34	20	27	807
1957	38	12	48	53	15	55	34	194	96	64	91	104	804
1958	76	20	70	88	10	49	57	112	53	155	103	135	930
1959	32	60	33	31	56	52	100	110	171	81	196	30	953
1960	42	78	111	75	44	14	66	29	91	64	74	32	721
1961	60	53	65	84	79	76	163	106	174	175	150	122	1,308
1962	63	85	97	18	46	163	196	104	78	85	88	143	1,165
1963	100	42	57	70	75	69	126	63	114	131	133	125	1,106
1964	110	118	158	70	74	154	106	107	108	95	137	118	1,357
1965	39	42	189	64	71	72	51	78	79	66	105	90	947
1966 1/	35	68	114	48	86	142	70	106	146	105	51	130	1,101
1967													
							Domestic disappearance						
1955	267	209	206	222	236	236	180	210	208	179	213	174	2,539
1956	236	247	166	208	207	166	203	202	229	197	260	244	2,565
1957	249	232	221	305	290	227	267	202	265	243	277	272	3,051
1958	314	288	201	241	273	308	275	275	338	197	296	248	3,304
1959	336	231	254	285	292	283	225	326	327	242	303	272	3,376
1960	290	246	281	300	317	280	246	309	211	272	268	309	3,329
1961	276	300	295	280	285	349	260	314	322	253	310	294	3,540
1962	390	322	260	446	246	292	245	295	299	286	337	206	3,624
1963	362	385	279	284	317	315	329	385	331	337	373	363	4,058
1964	412	356	296	351	315	285	344	345	349	331	347	338	4,069
1965	360	440	357	430	378	412	381	399	394	378	419	341	4,688
1966 1/	451	423	376	426	367	401	369	376	410	348	374	418	4,738
1967													
							Price per pound, crude, tank cars, f.o.b. Decatur						
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1955	10.9	11.0	10.9	11.7	12.8	14.3	14.9	15.3	13.6	12.5	11.4	11.3	12.5
1956	12.5	13.6	14.1	14.4	14.0	13.1	12.4	11.7	11.7	11.9	11.4	11.3	12.7
1957	11.3	11.6	11.4	11.5	11.4	11.0	11.0	11.0	10.2	9.9	10.0	9.8	10.8
1958	10.2	10.4	9.5	9.5	9.3	9.3	9.3	9.4	9.5	9.2	9.3	9.1	9.5
1959	8.6	8.0	7.8	7.8	7.6	7.6	8.0	8.2	8.7	9.0	9.5	9.2	8.3
1960	9.4	10.2	10.0	10.9	12.2	13.0	13.3	12.7	11.6	10.9	10.9	10.5	11.3
1961	10.7	10.4	10.5	10.5	10.2	10.1	9.9	9.3	8.4	8.0	8.2	8.1	9.5
1962	8.7	8.6	8.6	8.9	9.2	9.3	9.1	9.2	9.1	9.0	8.3	8.5	8.9
1963	9.2	9.1	8.3	8.1	8.0	8.1	7.9	8.4	8.2	8.5	8.8	9.7	8.5
1964	10.9	12.2	12.0	11.6	12.1	12.2	12.1	10.4	10.2	10.0	10.5	11.4	11.4
1965	11.5	11.2	11.2	11.9	12.0	11.3	11.6	11.3	11.2	12.3	14.1	12.3	11.8
1966 1/	10.9	10.8	10.6	10.3	10.3	10.3	10.3	10.3	9.8	9.1	9.6	9.3	10.1
1967													

1/ Preliminary. 2/ 1961-64 includes estimates of foreign donations not reported by Census. 3/ Not available by Census.
4/ Includes shipments to U.S. Territories beginning January 1965.
Totals computed from unrounded numbers.

October 1. The quantity shipped during the 1967/68 marketing year will depend on the level of activity under government-export programs, and the level and trend in soybean and other soft oils prices here and abroad during the marketing year.

Based largely on estimates of 1967 crops, world production of edible vegetable oil is expected to increase by nearly 5 percent in 1968. Much of the increased production will be in fat-deficit developing countries, (i.e., India). Major factors in the world edible vegetable fats and oils situation in 1968 are: (1) An all-time high in the U.S. exportable supplies of soybeans and products, with slight increase in Brazil and Mainland China; (2) a sharp increase in peanut production (chiefly in India and Senegal), supplemented by sizable stocks in Nigeria; (3) increased olive oil production in the major producing countries of the Mediterranean Basin except Spain (chiefly Italy, Greece, and Tunisia); (4) continued heavy availabilities of sunflowerseed and oil from the Soviet Union and Eastern Europe, despite some possible decline in production, and with production in Argentina up sharply; (5) the probability of record availabilities of rapeseed in the major exporting countries, including Canada and France.

The European Economic Community has imposed a $17 per metric ton duty on sunflowerseed oil imports from U.S.S.R., Rumania, and Bulgaria. Sunflower oil from these countries had been selling below the price at which European crushers could make reasonable margins and is the basis of the rule allowing the extra duty. To the extent that sunflower oil imports are reduced, it should help soybean oil to compete more effectively in Europe, since sunflower oil had been selling $23 per ton below soybean oil. However, this action is more likely to assist U.S. exports of soybeans than oil as such.

Soybean oil exports during the 1966/67 marketing year totaled 1,072 million pounds (excluding shipments of 28 million pounds to U.S. Territories)--up about 16 percent from the 923 million a year earlier (table 7). The increase was

Table 7.--Cottonseed (CSO) and soybean (SBO) oils:
Commercial and P.L. 480 exports, 1964-66

Export Financing	Year beginning October								
	1964/65			1965/66			1966/67 1/		
	SBO	CSO	Total	SBO	CSO	Total	SBO	CSO	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Commercial:									
Barter	131	74	205	176	48	224	124	38	162
CCC credits	—	—	—	21	—	21	47	3	50
Other	463	380	843	182	152	334	94	34	126
Total	594	454	1,048	379	200	579	265	75	340
P.L. 480:									
Foreign sales	540	106	646	324	65	389	521	0	521
Donations	206	79	285	220	2	222	286	1	287
Total	746	185	931	544	67	611	807	1	808
Grand Total	1,340	639	1,979	923	267	1,189	1,072	76	1,148

1/ Preliminary. Excludes exports in CARE packages, etc.

Table 8.--Cottonseed and soybean oils: U. S. exports, Public Law 480, and other, by country of destination, 1963-66 1/

	Year beginning October											
	1963			1964			1965			1966		
	Public Law 480	Other 2/	Total	Public Law 480	Other 2/	Total	Public Law 480	Other 2/	Total	Public Law 480	Other 2/	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
North America												
Canada	---	64	64	---	83	83	---	72	72	---	30	30
Haiti	---	10	10	---	12	12	---	14	14	1	14	15
Mexico	---	2	2	---	44	44	---	15	15	---	3/	3/
Other	6	---	6	2	22	24	19	27	46	21	24	45
Total	6	76	82	2	161	163	19	128	148	22	67	89
South America												
Argentina	---	3/	3/	---	40	40	---	3/	3/	---	3/	3/
Brazil	42	---	42	38	2	40	28	4	32	21	7	28
Chile	---	18	18	28	9	37	2	1	3	3	11	14
Colombia	22	7	29	8	---	8	8	34	42	12	6	18
Ecuador	2	11	13	---	13	13	5	7	12	3	8	11
Peru	12	14	26	3	25	28	3	13	16	5	9	14
Venezuela	---	27	27	8	29	37	4	31	35	4	31	35
Other	1	3	4	3	1	4	2	5	7	3	1	4
Total	68	92	160	88	119	207	52	94	145	51	73	124
Western Europe												
Spain	---	---	---	12	229	241	9	---	9	6	---	6
Sweden	---	7	7	---	4	4	---	9	9	---	1	1
Germany, West	---	141	141	---	152	152	---	50	50	---	3/	3/
Netherlands	---	110	110	2	60	62	---	7	7	---	1	1
Greece	---	16	16	44	11	55	5	24	29	17	6	23
Italy	---	7	7	6	1	7	3	---	3	---	3/	3/
Belgium-Luxembourg	---	6	6	---	9	9	---	1	1	---	3/	3/
United Kingdom	---	32	32	---	17	17	3/	---	3/	---	1	1
Other	---	6	6	12	13	25	1	6	7	1	7	8
Total	---	324	324	76	496	572	18	97	115	24	17	41
Eastern Europe												
Poland	108	26	134	15	---	15	8	---	8	13	---	13
Yugoslavia	91	22	113	45	1	46	42	7	49	89	26	115
Other	2	1	3	---	---	---	---	---	---	---	---	---
Total	201	49	251	60	1	61	50	7	57	102	26	128
Africa												
Algeria	4	6	10	8	2	10	8	---	8	12	1	13
Egypt	98	---	98	65	4	69	51	28	79	8	76	84
Guinea	---	---	---	14	---	14	---	3/	3/	---	3/	3/
Morocco	---	53	53	7	97	104	32	4	36	11	---	11
Tunisia	45	---	45	40	5	45	19	15	34	86	12	98
Other	3	2	5	11	---	10	12	16	28	9	7	16
Total	150	61	211	145	108	253	122	63	185	126	95	221
Asia and Oceania												
Australia	---	10	10	---	11	11	1	9	10	---	5	5
Burma	---	65	65	---	---	---	---	60	60	---	45	45
Hong Kong	---	49	49	5	33	38	2	---	2	1	3	4
India	---	3/	3/	153	---	153	81	---	81	211	17	228
Iran	---	103	103	1	119	120	---	119	119	---	8	8
Israel	22	---	22	43	1	44	27	---	27	32	---	32
Japan	---	22	22	---	2	2	---	10	10	---	1	1
Pakistan	149	---	149	216	---	217	170	---	170	144	3	147
South Viet Nam	13	---	13	5	9	14	8	13	21	---	30	30
Taiwan	2	16	18	9	5	14	2	2	4	1	12	13
Turkey	151	---	151	37	10	47	3	18	21	7	1	8
Other	10	---	10	11	17	29	9	5	14	17	7	24
Total	348	264	612	481	208	689	303	236	540	413	131	544
Total	774	867	1,641	852	1,093	1,945	565	624	1,189	738	7/410	1,148
Donations	48	---	48	33	---	4/33	---	---	---	---	---	---
Grand total	822	867	1,689	885	5/1,093	1,979	565	6/624	1,189	738	2/410	1,148

1/ Census data compiled by the Fats and Oils Division, FAS, except for donation which are estimates. Beginning January 1965, Census reports donations by country. 2/ Includes Barter, CCC credits and AID financing. 3/ Less than 500,000 pounds. 4/ October-December 1964 estimate. January-September 1965 donations included in country data above. 5/ Includes an estimated 45 million pounds of soybean oil exported under Title II donation, for which country of destination are not available. 6/ Includes an estimated 45 million pounds of soybean oil exported under Title II donations, for which country of destination are not available. 7/ Includes an estimated 70 million pounds of soybean oil exported under Title II donation, for which country of destination are not available. Totals computed from unrounded numbers.

primarily in P.L. 480 exports to India, Tunisia, Yugoslavia, and Israel. Exports to Iran, Greece, Morocco, Turkey, and Columbia were smaller than in 1965/66. Larger exports under Government programs more than offset a drop in commercial sales (including barter) which had met increased competition from Russian sunflower oil.

Soybean Oil Prices Expected To Average Lower in 1967/68

Soybean oil prices (crude, Decatur, Ill.) drifted downward from 10.9 cents per pound in October 1966 to 10.3 cents in January 1967, and held steady at this level through May (table 6). Prices declined further in June, after the closing of the Suez Canal and some buildup in U.S. soybean oil stocks, and averaged 9.3 cents in September. Soybean oil prices for the entire 1966/67 marketing year averaged 10.1 cents per pound--1.7 cents below 1965/66.

During 1967/68, soybean oil prices probably will average below the 10-cent-level of the previous year. Prices in October, the first month of the current marketing year, averaged 8.8 cents per pound--about 2 cents less than October 1966. Lower oil prices in the coming year will mainly reflect the reduction in soybean prices this year, some buildup in vegetable oil inventories (especially in the first half of the year), and large supplies above increased domestic requirements.

SOYBEAN MEAL

Soybean Meal Accounts for Over 60% of High-Protein Feeds

The total supply of high protein feeds available for feeding in 1967/68 is estimated at 18 million tons--about 3 percent more than last year's record. Soybean meal is expected to account for more than 60 percent--11.4 million tons--of the total quantity available for feeding. The reduced availability of cottonseed meal in prospect for feeding (estimated at 1.5 million tons, compared with 1.8 million in 1966/67 and 2.6 million in 1965/66) is expected to be made up largely from soybean meal. The number of high-protein consuming animal units is estimated for 1967/68 at around 159 million units, about the same as last year. The feeding rate in 1967/68 is expected to be around 3 to 4 percent above the 222 pounds fed per animal in 1966/67 (table 11). During 1961-64, the quantity fed remained relatively steady, around 225-227 pounds.

The total soybean meal supply for the 1967/68 marketing year that started October 1 is estimated at 14.3 million tons, compared with 13.4 million a year ago (table 12). With continued large domestic use of protein and reduced supplies of cottonseed meal, domestic use of soybean meal is expected to increase--probably in the area of 6 to 8 percent from the 10.6 million tons in 1966/67.

The expected increase in domestic use of soybean meal during 1967/68 reflects: (1) reduced availabilities of cottonseed meal; (2) lower soybean meal prices, along with higher livestock prices; and (3) continuation of the expanding demand for livestock products. Competition from synthetic urea will continue strong. Competition from fish meal imports (mainly from Peru) is expected to be a little lower than in 1966/67.

Soybean meal exports during 1967/68 are expected to increase slightly as the 1967/68 record soybean crush increases supplies. Prices are averaging lower than in recent months and are well below last year.

Export demand for soybean meal is strong particularly in Western Europe, where U.S. meal has established a reputation for high quality. Important factors include increased knowledge of the feeding value of soybean meal, continued improvement in feeding practices, price ratios favorable for feeding, and rising livestock numbers. New soybean crushing facilities are expected to begin operations during 1967/68. As soybean meal supplies from domestic crush increase, import requirements may be reduced. U.S. soybean meal exports (including shipments of 45,000

Table 9.--Soybean cake and meal: Supply, disposition and price, by months, crop years 1954-66

Year beginning October	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Total or average
Production													
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
1954	499.6	507.3	484.6	491.3	450.5	444.3	456.2	480.0	509.4	493.5	458.6	429.5	5,704.8
1955	580.0	583.6	548.7	567.0	563.2	584.4	583.6	570.2	517.3	475.3	513.0	459.5	6,545.8
1956	657.1	631.4	643.8	674.9	630.0	688.8	650.0	636.1	592.8	583.0	604.2	517.5	7,509.6
1957	652.3	683.2	663.3	725.9	628.1	718.4	737.8	759.2	669.6	714.7	740.5	591.3	8,284.3
1958	785.0	779.3	810.0	872.6	800.0	855.4	816.3	862.3	788.3	761.5	712.2	647.2	9,490.1
1959	822.5	838.6	795.1	791.9	714.9	800.1	771.2	769.2	733.8	733.4	752.5	629.2	9,152.4
1960	831.9	871.3	896.7	920.7	809.6	817.2	773.8	798.5	749.5	732.1	707.8	542.6	9,451.7
1961	852.9	902.7	911.9	961.5	857.4	915.1	856.9	910.7	808.9	824.3	816.5	723.1	10,341.9
1962	930.6	1,005.7	997.6	1,005.4	909.4	979.0	840.5	965.0	918.2	899.0	921.6	755.0	11,127.0
1963	965.7	939.5	933.1	862.4	827.4	810.1	840.4	877.4	850.4	916.0	910.7	875.8	10,608.9
1964	1,051.9	1,043.3	1,031.3	1,027.2	900.9	982.0	910.6	973.2	879.8	873.5	889.8	722.3	11,285.8
1965	1,024.1	1,153.6	1,163.1	1,192.3	1,073.3	1,172.2	1,039.8	1,189.2	1,071.3	999.5	971.2	851.4	12,901.0
1966 1/	1,069.8	1,174.5	1,163.8	1,188.7	1,051.1	1,111.9	1,111.8	1,138.0	1,134.6	1,090.3	1,065.0	1,003.1	13,302.6
1967													
Stocks, first of month													
1954	61.6	58.3	47.9	47.1	59.5	91.0	100.4	113.4	100.8	99.4	98.3	69.2	
1955	37.2	49.0	59.8	66.4	99.9	137.5	178.0	201.5	212.8	217.9	182.7	145.8	
1956	111.3	57.2	51.5	65.4	58.3	88.9	136.9	162.0	163.2	157.1	129.0	93.6	
1957	54.7	58.6	88.1	75.7	78.7	73.4	81.7	74.5	104.7	82.3	61.3	84.6	
1958	48.1	65.0	81.3	55.3	68.2	87.7	96.7	104.5	155.9	159.1	121.7	101.6	
1959	58.5	76.8	79.2	66.3	99.2	98.3	89.7	128.6	138.5	116.2	130.4	94.7	
1960	82.8	97.1	116.1	106.1	133.9	168.6	186.1	225.2	222.9	204.0	210.7	179.8	
1961	77.5	67.7	67.5	104.1	106.0	95.0	97.1	102.7	110.2	96.8	101.2	82.1	
1962	93.6	75.3	71.5	96.3	107.4	85.5	131.5	106.1	121.4	153.0	127.6	159.2	
1963	158.8	161.3	179.2	172.2	163.4	173.0	172.4	155.3	186.8	143.5	143.6	143.9	
1964	121.6	135.2	142.1	121.9	208.6	220.4	202.6	217.0	265.4	229.6	194.8	169.3	
1965	105.7	131.2	133.4	95.6	123.4	131.0	151.6	138.5	181.5	174.5	218.7	149.1	
1966 1/	131.6	149.0	146.1	136.1	151.5	126.6	101.6	163.4	128.2	142.0	163.5	127.9	
1967	137.4												
Exports and shipments													
1954	33.0	51.2	25.6	27.4	9.7	13.3	6.9	7.7	15.7	30.3	23.0	27.9	271.7
1955	31.4	45.3	64.8	35.6	42.0	28.9	29.9	22.5	19.7	19,8	29.0	31.5	400.4
1956	57.9	55.4	64.1	49.5	31.7	33.3	20.2	20.5	34.1	29.0	24.4	23.1	443.2
1957	27.9	37.7	28.8	38.5	20.9	25.9	16.0	20.3	25.1	18.0	17.4	23.5	300.0
1958	27.4	64.4	54.5	55.8	41.6	46.4	43.0	26.4	38.0	38.7	36.5	39.5	512.2
1959	57.1	76.9	122.0	62.8	54.4	38.9	29.8	37.8	44.5	31.9	44.8	47.8	648.7
1960	52.1	63.8	66.6	64.8	39.7	51.5	21.0	42.1	68.9	45.9	42.2	31.0	589.7
1961	60.5	130.3	80.4	82.7	109.8	102.0	94.6	97.1	89.6	76.7	87.1	52.9	1,063.7
1962	101.6	159.6	114.5	39.1	163.5	195.6	126.1	132.3	142.3	120.5	91.3	89.1	1,475.5
1963	92.5	154.3	142.5	78.3	113.7	79.1	99.8	125.5	133.6	144.9	162.3	152.1	1,478.4
1964	154.7	236.7	248.3	44.6	162.6	364.7	175.4	150.2	145.9	144.0	126.3	105.8	2,059.1
1965	147.8	308.5	334.8	259.6	273.9	235.5	243.3	224.3	172.4	130.6	179.4	145.8	2,656.1
1966 1/	180.6	235.2	270.7	252.0	240.5	222.3	216.0	262.6	211.6	227.1	194.4	192.3	2,705.3
1967													
Domestic disappearance													
1954	469.9	466.5	459.8	451.5	409.3	421.6	436.3	484.9	495.1	464.3	464.7	433.6	5,457.5
1955	536.8	527.5	477.3	497.9	483.6	515.0	530.2	536.4	492.5	490.7	520.9	462.5	6,071.3
1956	653.3	581.7	565.8	632.5	567.7	607.5	604.8	614.4	564.8	582.1	615.2	533.3	7,123.1
1957	620.5	616.0	646.9	684.4	612.5	684.2	730.4	708.7	666.9	717.7	699.8	604.3	7,992.3
1958	740.7	701.5	781.1	801.4	738.9	800.0	765.5	784.5	747.1	760.2	695.8	650.8	8,967.5
1959	747.1	759.3	686.0	696.2	661.4	769.8	702.5	721.5	711.7	687.3	743.4	593.3	8,479.5
1960	765.5	788.5	840.1	828.1	735.2	748.2	713.7	758.7	699.5	679.5	696.5	613.9	8,867.4
1961	802.2	772.6	794.9	876.9	758.6	811.0	756.7	806.1	732.7	743.2	748.5	658.7	9,262.1
1962	847.3	849.9	858.3	955.2	767.8	737.4	739.8	817.4	744.3	803.9	798.7	666.3	9,586.3
1963	870.7	767.3	797.6	792.9	704.1	731.6	757.7	720.4	760.1	771.0	748.1	746.0	9,167.7
1964	883.6	799.7	803.2	895.9	726.5	635.1	720.8	774.6	769.7	764.3	789.0	680.1	9,242.6
1965	850.8	842.9	866.1	904.9	791.8	916.1	809.6	921.9	905.9	824.7	861.4	723.1	10,219.1
1966 1/	871.8	942.2	903.1	921.3	835.5	914.6	834.0	910.6	909.2	841.7	906.2	801.3	10,591.5
1967													
Price per ton, bulk, Decatur													
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
1954	65.25	67.70	68.25	67.10	65.60	61.50	59.20	53.40	52.10	53.90	54.30	60.10	60.70
1955	56.00	49.00	50.25	51.00	49.40	47.40	53.00	60.05	60.75	54.90	52.10	46.90	52.55
1956	45.70	47.40	46.95	49.90	46.90	46.75	45.50	45.40	44.25	46.60	52.90	51.00	47.45
1957	46.60	45.00	43.90	43.75	46.90	54.25	59.50	55.60	56.75	68.60	60.25	59.70	53.40
1958	50.60	54.75	60.90	63.25	54.75	55.10	55.90	55.40	54.80	58.50	54.25	51.70	55.80
1959	56.60	58.50	58.70	61.50	57.50	55.85	56.50	54.20	52.50	50.75	50.30	53.75	55.55
1960	48.95	44.50	51.25	55.20	61.50	64.45	73.10	71.00	63.85	65.00	68.90	59.60	60.60
1961	55.80	59.30	60.20	59.90	57.60	60.60	62.50	64.10	66.70	68.50	71.10	76.70	63.60
1962	69.00	70.60	70.50	71.90	73.10	70.80	68.30	68.10	70.40	72.00	75.20	75.20	71.30
1963	73.50	74.90	76.90	77.50	74.80	73.40	69.90	65.50	66.50	65.80	63.90	69.50	71.00
1964	69.20	66.10	67.80	68.00	69.80	68.50	69.30	68.40	74.60	74.40	69.60	76.80	70.20
1965	70.80	75.75	71.40	78.80	77.30	71.50	75.50	80.30	92.70	97.20	97.90	88.40	81.50
1966 1/	82.20	78.90	84.60	81.70	79.50	76.60	74.50	73.70	78.10	78.20	78.70	79.20	78.80
1967													

1/ Preliminary.
Totals computed from unrounded numbers.

Table 10.--Oilcake and Meal: U. S. exports by country, year beginning October 1964-66

Country of destination	Soybean cake & meal			Cottonseed cake & meal			Linseed cake & meal			Total		
	1964	1964	1966	1964	1965	1966	1964	1965	1966	1964	1965	1966
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
North America												
Canada	249.4	234.0	238.4	6.0	2.6	2.7	1.2	.1	.1	256.6	236.7	241.2
Mexico	32.6	27.2	17.0	---	1/	.3	1/	.1	1/	32.6	27.3	17.3
Panama	8.2	6.8	2.5	.2	---	---	---	.1	---	8.4	6.9	2.5
Other	15.6	15.5	22.3	.4	.6	.1	---	1/	1/	16.0	16.0	22.4
Total	305.8	283.5	280.2	6.6	3.2	3.1	1.2	.3	.1	313.6	287.0	283.4
South America												
Venezuela	1.4	.2	.1	---	---	---	---	---	---	1.4	.2	.1
Other	1.7	1.4	.9	---	---	---	---	---	---	1.7	1.4	.9
Total	3.1	1.6	1.0	---	---	---	---	---	---	3.1	1.6	1.0
Western Europe												
Belgium-Luxembourg	177.0	163.9	221.4	6.7	.9	---	1.5	1.2	.7	185.2	166.0	222.1
Denmark	110.9	147.8	109.4	81.0	62.7	---	---	---	.4	191.9	210.5	109.8
France	358.4	464.9	431.5	9.8	9.0	.3	5.5	5.6	3.5	373.7	479.5	435.3
Greece	14.4	8.3	6.3	---	---	---	---	---	---	14.4	8.3	6.3
Germany-West	300.7	513.0	458.1	3.4	2.4	.1	26.7	52.3	38.3	330.8	567.7	496.6
Ireland	18.1	14.0	22.7	8.6	13.6	---	---	---	---	26.7	27.6	22.7
Italy	143.2	155.0	192.0	---	---	1/	.2	---	1/	143.4	155.0	192.0
Netherlands	245.2	325.5	417.9	3.3	2.1	---	34.2	39.5	32.5	282.7	367.1	450.4
Norway	.2	---	---	8.0	3.8	3.5	---	---	---	8.2	3.8	3.5
Spain	77.9	122.8	8.1	---	---	---	.1	1/	---	78.0	122.9	8.1
United Kingdom	34.4	105.4	86.1	6.3	.7	---	1.0	10.8	23.7	41.7	116.9	109.8
Switzerland	9.3	15.1	20.2	.1	1/	1/	2.4	3.9	5.4	11.8	19.0	25.6
Other	11.5	20.7	23.8	2.6	---	.1	---	---	---	14.1	20.7	23.9
Total	1,501.2	2,056.4	1,997.5	129.9	95.2	4.1	71.6	113.3	104.5	1,702.7	2,264.9	2,106.1
Eastern Europe												
Bulgaria	9.6	19.5	27.8	---	---	---	---	---	---	9.6	19.5	27.8
Hungary	47.4	12.4	30.3	---	---	---	---	---	---	47.4	12.4	30.3
Czechoslovakia	---	11.3	16.6	---	---	---	---	---	---	---	11.3	16.6
Poland	1/	64.1	51.2	2.2	---	---	---	---	6.0	2.2	64.1	57.3
Yugoslavia	108.9	78.5	159.3	---	---	---	---	---	---	108.9	78.5	159.3
Other	1/	---	---	---	---	---	---	---	---	1/	---	---
Total	165.9	185.7	285.3	2.2	---	---	---	---	6.0	168.1	185.7	291.4
Asia and Oceania												
Australia	14.6	33.7	36.3	---	---	---	---	---	---	14.6	33.7	36.3
Japan	33.1	23.0	2.4	1/	---	---	---	---	---	33.1	23.0	2.4
Philippines	7.1	3.1	30.4	---	---	---	---	---	---	7.1	3.1	30.4
Other	5.1	12.3	15.9	1/	.3	1/	---	.1	1/	5.1	12.7	15.9
Total	59.9	72.1	85.1	1/	.3	1/	---	.1	1/	59.9	72.5	85.1
Africa	.1	2.3	7.5	---	---	---	---	---	---	.1	2.3	7.5
Grand total	2,036.0	2,601.6	2,656.6	138.8	98.8	7.3	72.8	113.7	110.6	2,247.6	2,814.1	2,774.5

1/ Less than 50 tons.

Table 11.--High-protein feeds: Quantity available for feeding, high-protein feed-consuming animal units, and quantity per animal unit, average 1961-65, annual 1959-57

Year beginning October 1	Quantity available for feeding (in terms of 44 percent protein soybean meal equivalent): Oilseed meal: Soybean meal	Oilseed meal: Other oilseed meals	Oilseed meal: Total	Animal protein	Grain protein	Total	High-protein consuming animal units	Quantity per animal unit
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	Mil.	Pounds
Average 1961-65	9,493	2,469	11,962	3,569	1,136	16,667	148.0	225
1959	8,450	2,205	10,655	3,103	972	14,730	139.6	211
1960	8,837	2,422	11,259	3,281	947	15,487	142.9	217
1961	9,232	2,455	11,687	3,421	1,052	16,160	144.1	224
1962	9,556	2,420	11,976	3,543	1,069	16,588	147.6	225
1963	9,138	2,518	11,656	3,753	1,136	16,545	148.5	223
1964	9,266	2,536	11,802	3,557	1,181	16,540	148.3	223
1965	10,274	2,415	12,689	3,577	1,238	17,504	151.4	231
1966 1/	10,641	1,731	12,372	3,960	1,260	17,592	158.6	222
1967 2/	11,350	1,575	12,925	3,950	1,300	18,175	159.0	229

1/ Preliminary. 2/ Based on indications in October 1967.

Table 12.--Oilseed cake and meal: Supply and disposition, year beginning October, 1965-67

Item	Supply: Stocks, October 1 1/	Supply: Production	Supply: Imports	Supply: Total	Disposition: Domestic disappearance	Disposition: Exports and shipments	Disposition: Total
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
1965-66							
Soybean	106	12,901	0	13,007	10,219	2,656	12,875
Cottonseed	78	2,604	44	2,726	2,560	101	2,662
Linseed	13	396	1	410	284	114	398
Peanut	2	107	---	109	108	---	108
Copra	1	108	2/ 7	116	116	---	116
Total	200	16,116	52	16,367	13,287	2,871	16,158
1966-67 3/							
Soybean	132	13,303	0	13,435	10,593	2,705	13,298
Cottonseed	64	1,745	60	1,869	1,758	7	1,765
Linseed	12	346	6	364	248	93	341
Peanut	1	112	---	113	109	---	109
Copra	2/	5/ 75	2/ 15	90	90	---	90
Total	209	15,581	81	15,871	12,798	2,805	15,603
1967-68 4/							
Soybean	137	14,200	---	14,337	11,350		
Cottonseed	104	1,500	50	1,654	1,550		
Linseed	23	300	10	333	250		
Peanut	4	125	---	129	125		
Copra	---	5/ 75	---	75	75		
Total	268	16,200	60	16,528	13,350		

1/ Stocks at processing mills. 2/ Reported as "other" oilseed meal. 3/ Preliminary. 4/ Based on October 1967 indications. 5/ Estimate.

tons) during October-September 1966/67 totaled a record 2.7 million tons; about three-fourths went to Western Europe (table 10).

Soybean Meal Prices Expected to Average Lower During 1967/68

Monthly prices of soybean meal (44 percent protein bulk, Decatur) declined from $82 per ton in October 1966 to $74 in April and May 1967. Prices jumped to $80 in early June during the Mid-East war and remained near this level through September (table 9). The 1966/67 marketing year average was $79 per ton, compared with $81.50 the year before.

Soybean meal prices during 1967/68 are expected to average lower than a year earlier, mainly reflecting lower prices for soybeans. Soymeal prices in October, the first month of the current marketing year, averaged $72 per ton-- about $10 less than October 1966. The lower prices this fall is encouraging increased feeding of protein meals.

COTTONSEED

1967 Crop Down 16 Percent; Acreage Smallest Since 1871

Based on the average bale weight and seed-lint ratios, the 1967 cottonseed crop was estimated, as of October 1, at 3.3 million tons. This is 16 percent less than 1966, and 45 percent below 1965. An unusually small outturn this season results mostly from (1) diversion of acreage under the Upland Cotton Program; (2) heavy abandonment of planted acreage; and (3) poor yield prospects, due to poor weather, insect and disease damage.

Because cottonseed is a joint product in output of lint cotton, its supply is determined primarily by the economic factors that affect cotton. Cotton acreage to be harvested in 1967, estimated at 8.5 million, is 11 percent less than in 1966 and the lowest since 1871. The estimated cottonseed yield per acre for the 1967 crop, as of October 1, was 778 pounds, compared with 829 in 1966.

Total supplies of cottonseed in 1967/68 (carryover stocks on August 1, plus production) are estimated at 3.5 million tons--15 percent below last year and 44 percent below 1961-65 (table 14). Crushings for the year are estimated at 3.1 million tons, compared with 3.8 million in 1966/67. A crush this size would produce around 1.0 billion pounds of crude cottonseed oil--about 17 percent less than the season before. Cake and meal output would be around 1.5 million tons, compared with 1.8 million in 1966/67. The estimated proportion of cottonseed crushed from the 1967 crop is lower (93 percent) than average (95 percent) because more seed will be required to plant an expanded 1968 cotton crop.

Prices received for cottonseed this fall are averaging $53 per ton--slightly above the CCC support price of $48 per ton, but well below the $65 received during August-October 1966. Cottonseed oil and meal prices are lower this year than last, and seed quality may be lower. In spite of small supplies of cottonseed oil this year, prices are lower because of lower soybean oil prices.

Prices to farmers for the 1967 cottonseed crop are being supported at $48 per ton, basis (100) grade, the same as in 1966. The cottonseed price support is carried out primarily by means of a product purchase program through oil mills (which agree to pay not less than support for cottonseed at cotton gins). Tenders of products from participating oil mills will be received through July 1968, or a later date approved by CCC. The prospective 1967/68 supply and demand situation for cottonseed oil and meal indicates that no purchases of oil appear likely during the year. The CCC has not purchased cottonseed oil under the cottonseed price support program since 1963.

COTTONSEED OIL AND MEAL

Oil Supply Down 15 Percent; Prices Will Average Lower

Total supply of cottonseed oil for the 1967/68 marketing year that started

Table 13.--Food fats and oils: Supply and disposition, 1958-67

Item	Year beginning October									
	1958	1959	1960	1961	1962	1963	1964	1965	1966 1/	1967 Forecast 2/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Stocks, October 1										
Butter	146	93	136	238	3/419	3/450	3/188	161	68	211
Lard	46	93	92	100	73	81	68	62	64	106
Cottonseed oil	154	190	217	170	296	488	433	236	202	208
Soybean oil	281	298	308	677	618	920	578	297	462	595
Other 4/	56	60	78	94	128	206	118	110	179	207
Sub-total	683	734	830	1,279	1,534	2,145	1,385	866	976	1,327
Finished products 5/	145	172	190	288	480	355	240	206	235	266
Total food fats and oils	828	906	1,021	1,567	2,014	2,500	1,625	1,072	1,211	1,593
Imports 4/	74	66	81	91	55	73	50	63	72	72
Production										
Butter	1,413	1,435	1,489	1,596	1,491	1,454	1,412	1,120	1,245	1,225
Lard	2,679	2,726	2,481	2,468	2,495	2,475	2,205	1,900	2,064	2,050
Cottonseed oil 6/	1,589	1,832	1,786	1,952	1,930	1,939	2,001	1,833	1,226	1,050
Soybean oil	4,251	4,338	4,420	4,790	5,091	4,822	5,146	5,800	5,972	6,400
Other 4/6/	767	771	863	923	1,057	1,208	1,318	1,487	1,550	1,600
Sub-total	10,700	11,102	11,039	11,729	12,064	11,898	12,082	12,140	12,057	12,325
Soybean exports (oil equiv.)	1,209	1,552	1,431	1,685	1,981	2,103	2,265	2,764	2,881	3,200
Total food fats and oils	11,909	12,654	12,470	13,414	14,047	14,001	14,347	14,904	14,938	15,525
Total supply	12,811	13,626	13,572	15,072	16,116	16,574	16,022	16,039	16,221	17,190
Exports 7/										
Butter	19	22	9	8/19	8/131	8/319	150	24	7	
Lard	608	716	513	508	571	706	431	218	247	
Cottonseed oil 6/	406	506	8/371	8/474	8/392	8/586	643	272	79	
Soybean oil	930	953	8/721	8/1,308	8/1,165	8/1,106	1,357	947	1,101	
Other 4/6/	34	43	8/40	11	15	147	216	240	222	
Adjustment 9/	117	88	83	77	93	111	77	64	75	
Sub-total	2,114	2,328	1,737	2,397	2,367	2,975	2,874	1,765	1,731	
Soybeans (oil equivalent)	1,209	1,552	1,431	1,685	1,983	2,103	2,265	2,764	2,881	
Total exports	3,323	3,880	3,168	4,082	4,350	5,078	5,139	4,529	4,612	
Domestic use										
Butter	1,449	1,373	1,380	1,400	1,332	1,399	1,291	1,193	1,095	1,200
Lard 10/	2,024	2,003	1,969	1,982	1,904	1,786	1,780	1,676	1,775	1,800
Cottonseed oil	1,147	1,299	1,461	1,352	1,347	1,407	1,555	1,595	1,158	1,050
Soybean oil	3,304	3,376	3,329	3,540	3,624	4,058	4,069	4,688	4,738	5,100
Other 4/	796	773	912	968	1,040	1,230	1,162	1,189	1,355	
Adjustment 9/	-117	-88	-83	-77	-93	-111	-77	-64	-75	
Total 10/	8,603	8,739	8,968	9,165	9,154	9,769	9,780	10,277	10,046	
Total (calculated net) 11/	8,576	8,721	8,869	8,973	9,279	9,884	9,814	10,248	10,015	
Total use for food 12/	8,389	8,438	8,562	8,600	8,846	9,605	9,279	9,947	9,700	
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	
Per capita, civilian and military 13/										
Butter (fat content)	6.6	6.1	6.1	6.1	5.7	5.9	5.3	4.9	4.5	
Other	39.4	39.3	39.2	38.7	39.8	42.9	41.2	44.6	43.5	
Total (fat content)	46.0	45.4	45.3	44.8	45.5	48.8	46.5	49.5	48.0	

1/ Preliminary. 2/ Based in October 1967 indications 3/ Includes estimates of butter oil, ghee, and canned butter. 4/ Includes beef fats, cottonseed, peanut, corn, olive, safflower and sesame oils. 5/ Shortening, margarine, salad and cooking oils. 6/ Includes oil equivalent of oilseeds exported. 7/ Includes shipments. Butter, cottonseed oil and adjustments includes quantities from CCC stocks that are not reported in Census data. 8/ Includes estimates of foreign donations of fats and oils, not reported by Census. 9/ Includes exports of processed food oils not classified by kind, shortening and other secondary fats. 10/ Adjusted for estimated changes in stocks of farm lard. 11/ Adjusted to reflect changes in stocks of finished products. 12/ Excludes food fats used for non-food purposes, but includes non-food oils (mostly coconut and palm kernel) used in food. 13/ Adjusted for trade and changes in stocks of shortening, margarine and salad and cooking oils.

Table 14.--Cottonseed: Supply, distribution and farm price, 1947-67

Year beginning August	Supply			Distribution				Price per ton	
	Production	Stocks at mills, August 1	Total supply	Exports	Crushed	Seed	Residual 1/	Season average received by farmers	Support 2/
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	Dol.	Dol.
1947	4,683	100	4,783	5	4,082	315	292	85.90	---
1948	5,943	89	6,032	6	5,332	384	178	67.20	---
1949	6,614	132	6,746	11	5,712	279	456	43.40	46.50
1950	4,105	288	4,394	6	3,723	423	176	86.60	47.00
1951	6,302	66	6,352	11	5,476	415	329	69.30	61.50
1952	6,191	137	6,328	13	5,563	406	191	69.60	62.40
1953	6,749	155	6,904	15	6,256	346	58	52.70	50.50
1954	5,709	229	5,938	21	5,249	263	196	60.30	50.00
1955	6,043	209	6,252	16	5,588	266	205	44.60	42.00
1956	5,407	177	5,584	11	4,959	222	228	53.40	44.00
1957	4,609	164	4,773	6	4,247	188	157	51.10	42.00
1958	4,798	175	4,973	4	4,439	244	186	43.80	41.00
1959	5,991	100	6,091	8	5,491	238	249	38.80	34.00
1960	5,886	105	5,991	5	5,352	281	165	42.60	34.00
1961	5,978	188	6,166	7	5,539	254	86	51.10	45.00
1962	6,139	280	6,419	10	5,833	232	110	47.90	44.00
1963	6,192	234	6,426	8	5,887	234	131	50.70	44.00
1964	6,237	168	6,405	7	5,926	222	94	47.10	44.00
1965	6,087	156	6,243	9	5,734	153	143	46.70	43.00
1966 3/	3,960	204	4,164	5	3,790	142	19	65.90	48.00
1967 4/	3,326	209	3,535	5	3,100	235		53.00	48.00

1/ Includes feed, fertilizer, and loss. 2/ Purchase price, basis grade except 1949 which is average grade. 3/ Preliminary. 4/ Preliminary. Distribution is forecast. Production indicated October 1 if the ratio of lint to cottonseed is the same as the average for the past five years.

Table 15.--Cottonseed oil: Supply and disposition and oil equivalent of exports of cottonseed, 1947-67

Year beginning August	Supply				Disposition		Cottonseed (oil equivalent of exports)
	Production	Imports	Stocks August 1	Total	Exports	Domestic disappearance	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1947	1,276	4	186	1,466	33	1,313	2
1948	1,704	1/	120	1,824	82	1,558	2
1949	1,847	---	185	2,032	147	1,670	3
1950	1,197	---	215	1,412	61	1,184	2
1951	1,751	---	167	1,918	120	1,396	3
1952	1,825	1/	402	2,227	55	1,202	4
1953	2,074	---	971	3,045	351	1,698	5
1954	1,735	---	996	2,731	684	1,650	7
1955	1,894	---	398	2,292	634	1,375	5
1956	1,685	---	284	1,969	434	1,333	4
1957	1,438	---	202	1,640	286	1,186	2
1958	1,518	---	168	1,686	342	1,132	2
1959	1,861	---	212	2,073	522	1,263	3
1960	1,808	---	287	2,095	2/390	1,455	2
1961	1,865	---	250	2,115	2/470	3/1,430	2
1962	1,942	---	324	2,245	2/373	1,379	3
1963	1,981	---	514	2,495	2/483	1,400	3
1964	1,999	---	611	2,610	2/701	3/1,573	2
1965	1,896	---	421	2,317	348	1,668	3
1966 4/	1,261	17	301	1,579	79	1,201	2
1967 5/	1,025	---	299	1,325		1,050	

1/ Less than 500,000 pounds. 2/ Includes estimates of foreign donations not reported by Census. 3/ Factory consumption figures used for years in which reported factory consumption exceeds domestic disappearance. 4/ Preliminary. 5/ Forecast, except stocks August 1. Totals computed from unrounded numbers.

August 1 is estimated at 1,325 million pounds, compared with 1,579 million last year. The decline is due to reduced output (table 15). Domestic use is forecast at 1,050 million pounds -- approximately equal to the 1967/68 output. Exports probably will be even less than the 79 million pounds shipped abroad in 1966/67.

Cooking and salad oil are major outlets for cottonseed oil, accounting for about three-fifths of total domestic use. Shortening comprises over a fifth; margarine and industrial products (mainly from foots) account for the remainder. Use of cottonseed oil in the manufacture of shortening and margarine probably will be even lower than in 1966/67, because the price premium over soybean oil is expected to continue. Manufacturers of cooking and salad oils have been turning to blended vegetable oils or switching to lower-priced soybean oil in order to remain competitive.

Cottonseed oil prices (crude, tanks, Valley points) declined from 16.6 cents per pound in August 1966 to 12.0 cents in January 1967 holding steady at this level through July. The average price for the 1966/67 marketing year was 12.9 cents, or about the same as in 1965/66. Prices have declined in the 1967/68 marketing year and in October were about 11.0 cents per pound -- 2.5 cents below a year earlier level, mainly because of lower prices for competitive fats and oils. Next summer, oil prices will be affected by prospects for a greatly expanded 1968 cottonseed crop.

The 1966/67 season's average cottonseed meal price (41 percent protein, bulk, Memphis) was $79 per ton -- about $10 above 1965/66 and the highest since 1951/52. The sharp cutback in 1966/67 cottonseed meal supplies reduced the quantity fed to 1.8 million tons, compared with 2.7 million in 1965/66. Cottonseed meal prices in October 1967 averaged $73 per ton -- about $2 less than a year ago. For the entire 1967/68 marketing year, cottonseed meal prices probably will average below the year earlier level of $79 per ton. The quantity of cottonseed meal fed in 1967/68 is estimated at around 1.5 million tons --down sharply from last year's 1.8 million tons, mainly due to reduced domestic supplies.

LARD

Not Much Change In Supply; Prices Are Lower

For the 1967/68 marketing year, which began October 1, the lard supply (including farm) is estimated at about 2.1 billion pounds -- about the same as the year before (table 13). Commercial hog slaughter may be close to the 1966/67 total of 81 million head, but lard yield per hog probably will be down again. Lard yields have declined each year since 1958, and are down 9 pounds since 1951/52, when they totaled nearly 34 pounds per hog. The lower yields result primarily from production of meat-type hogs, although when pork prices are high, processors tend to leave more fat on the meat cuts.

Domestic use of lard (including farm) is estimated at 1.8 billion pounds and exports and shipments at 0.2 billion pounds. Lard used in shortening and margarine manufacture will continue heavy in 1967/68, because lard is still selling at a lower price than competitive edible vegetable oils. During the 1966/67 marketing year, 552 million pounds of lard was used in manufactured shortenings -- an increase of 16 percent over the previous year. Margarine consumed 123 million pounds -- up 84 percent from the 1965/66 rate. Direct use of lard, at 1,085 million pounds, was down 3 percent -- thus continuing its long run downtrend in the United States.

So far this marketing year USDA has purchased about 9 million pounds of lard and/or shortening for use in schools, needy family distribution programs, and other eligible outlets. During October-March 1966/67, USDA purchased 79 million pounds of these products with Section 32, P.L. 320 funds.

U.S. lard exports will face increased competition during 1967/68 due

Table 16.--Lard: Supply, disposition and price, by months, crop years, 1954-66

Year beginning October	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Total or average
							Production (excluding farm)						
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1954	197	227	258	235	192	220	183	181	167	147	172	184	2,363
1955	215	264	292	273	231	253	207	199	180	169	172	177	2,632
1956	228	246	224	226	198	215	206	211	174	166	159	173	2,426
1957	216	208	215	221	169	177	188	178	167	167	158	182	2,246
1958	217	201	228	228	208	216	219	201	198	206	184	208	2,514
1959	238	235	268	239	203	224	202	203	199	166	193	186	2,556
1960	192	204	208	207	181	214	188	216	205	168	181	181	2,345
1961	215	221	207	211	186	206	197	209	190	174	180	154	2,350
1962	225	223	210	217	182	208	211	206	174	175	172	186	2,389
1963	214	208	220	232	193	210	213	194	184	172	166	178	2,384
1964	220	209	217	194	167	196	178	154	160	137	138	162	2,130
1965	163	176	157	145	129	163	166	157	152	131	150	166	1,854
1966 1/	175	182	182	186	162	184	162	164	157	144	167	169	2,034
1967													
							Stocks, first of month						
1954	50	51	75	104	124	138	137	140	144	133	118	97	
1955	75	75	98	147	184	210	233	226	211	203	178	141	
1956	123	106	103	112	101	112	119	127	120	107	102	77	
1957	69	68	79	101	101	91	85	87	87	66	55	50	
1958	46	54	68	95	109	118	132	147	158	148	136	100	
1959	93	80	92	124	136	147	145	136	150	136	129	109	
1960	92	72	83	94	114	112	141	153	149	150	127	114	
1961	100	90	89	110	102	103	104	109	123	104	97	77	
1962	73	73	93	128	148	146	167	162	147	136	114	88	
1963	81	75	92	119	106	125	114	116	125	96	98	89	
1964	68	82	104	127	151	131	143	147	107	98	82	69	
1965	62	59	66	62	70	69	77	94	104	102	94	73	
1966 1/	64	70	78	100	116	125	132	142	128	128	118	106	
1967	106												
							Exports 2/						
1954	49	59	64	61	54	54	61	40	35	33	40	35	587
1955	60	70	75	74	56	66	61	73	49	47	46	42	719
1956	53	52	53	43	43	67	47	72	58	39	29	34	590
1957	50	42	38	42	42	41	25	43	36	40	32	30	461
1958	46	46	33	52	62	49	47	50	51	64	45	64	608
1959	73	75	42	76	57	61	60	55	66	47	58	47	716
1960	62	37	54	49	45	40	30	48	35	58	28	26	513
1961	40	69	17	47	41	38	48	30	57	43	39	37	508
1962	26	58	23	19	47	46	65	76	28	60	67	56	571
1963	50	43	36	67	56	55	90	56	100	50	48	54	706
1964	57	66	47	24	38	24	43	31	19	39	21	22	431
1965	18	18	30	7	20	26	11	22	17	17	18	15	218
1966 1/	22	24	21	19	24	12	26	15	22	21	25	15	247
							Domestic disappearance						
1954	147	144	165	153	124	167	119	138	143	129	152	171	1,751
1955	155	170	169	163	149	164	153	141	139	147	163	153	1,864
1956	192	197	163	194	144	141	152	146	129	133	155	147	1,891
1957	167	155	155	179	137	142	162	135	151	138	131	156	1,808
1958	162	141	168	162	137	153	158	140	157	154	174	151	1,858
1959	178	149	195	151	135	165	151	134	146	127	155	155	1,840
1960	150	156	143	137	138	145	146	172	169	133	166	169	1,825
1961	184	153	169	173	143	167	144	165	153	138	160	121	1,868
1962	199	145	152	178	137	142	150	145	157	137	131	137	1,810
1963	170	147	157	179	117	166	121	129	113	120	127	145	1,691
1964	148	122	147	146	149	160	131	163	151	113	130	146	1,705
1965	148	152	131	130	110	129	139	125	137	121	153	160	1,636
1966 1/	147	150	138	151	129	165	126	163	135	133	154	154	1,745
							Price per pound, tanks, loose Chicago						
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1954	14.2	13.6	12.1	11.5	11.1	10.9	11.8	11.2	10.8	10.6	9.9	10.2	11.5
1955	10.7	9.8	9.0	9.1	9.7	9.7	10.8	11.4	10.1	10.4	11.3	11.7	10.3
1956	12.2	12.6	13.5	13.9	13.5	13.0	12.8	11.3	12.1	12.9	12.3	12.5	12.7
1957	11.9	11.2	10.9	10.6	11.7	11.4	11.6	11.7	11.6	12.0	12.8	11.6	11.6
1958	11.6	10.5	9.2	8.6	8.5	8.4	8.6	8.3	7.9	7.6	7.1	7.7	8.7
1959	7.8	7.7	7.1	7.0	7.2	7.8	8.5	8.3	8.8	9.7	10.0	9.0	8.2
1960	9.7	10.3	9.5	10.0	12.3	12.0	11.2	9.8	8.4	8.4	8.9	8.7	9.9
1961	8.5	8.5	8.3	8.3	8.8	8.8	8.4	8.5	8.4	8.5	9.0	9.1	8.6
1962	9.3	8.7	8.1	8.0	8.2	7.8	7.5	7.4	7.7	8.3	8.5	8.4	8.2
1963	9.2	9.7	8.8	8.9	9.3	9.0	9.2	9.1	9.1	9.2	9.6	9.9	9.2
1964	11.5	10.9	11.0	10.9	11.2	11.6	12.3	11.1	11.3	11.8	11.7	12.3	11.5
1965	12.5	11.7	11.8	12.8	13.0	12.3	11.5	10.7	10.4	10.2	11.8	11.5	11.7
1966 1/	10.7	10.3	9.3	9.1	8.8	8.5	8.8	8.7	7.9	7.3	7.7	7.3	8.7

1/ Preliminary.
2/ Includes shipments to U. S. Territories.
Totals computed from unrounded numbers.

Table 17.--Lard, including rendered pork fat: United States exports and shipments, by country of destination, 1957-66

Country of destination	Year beginning October									
	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966 1/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
North America										
Canada	12	3	15	23	20	19	12	15	17	19
Costa Rica	2	5	5	3	2/	1	2/	---	---	2/
Cuba	180	192	211	74	---	---	---	---	---	---
Dominican Republic	2/	2/	2/	2/	2/	2/	2/	---	---	2/
El Salvador	5	3	3	2	2	1	2/	2/	2/	2/
Guatemala	5	6	5	2/	2/	2/	---	---	---	2/
Haiti	6	7	9	7	8	6	6	7	6	6
Mexico	14	12	8	11	13	9	8	11	14	15
Netherland Antilles	2/	1	2/	2/	2/	1	2/	2/	1	1
Canal Zone	2/	2/	2/	2/	2/	2/	2/	---	---	---
Panama, Republic of	6	5	4	3	3	3	3	3	2	2
Other	2/	4	3	3	2	3	5	2	2	3
Total	230	238	263	126	49	43	34	38	42	46
South America										
Bolivia	2	5	4	3	2	7	15	3	1	---
Brazil	---	2/	2/	2/	2/	---	7	13	---	2/
Colombia	---	---	2/	2/	2/	2/	2/	2/	1	2/
Ecuador	2/	---	2/	2/	2/	2/	---	2/	2/	2/
Peru	1	5	1	2	2	1	2	1	2/	2
Venezuela	1	1	1	2/	2/	2/	2/	2/	2/	2/
Other	2/	2	1	2	2	3	2	1	1	1
Total	4	13	7	7	6	11	26	18	3	3
Europe										
Austria	4	2/	---	---	2/	---	---	---	---	---
Belgium-Luxembourg	2/	2/	2/	2	2/	1	1	2/	2	1
Czechoslovakia	---	---	---	---	1	6	9	2/	---	---
Western Germany	7	36	19	23	15	21	15	6	4	2
Italy	2/	2/	2/	2/	2/	---	---	2/	---	---
Netherlands	2/	2	1	5	2/	---	2/	2/	---	---
United Kingdom	131	230	359	276	368	414	509	299	100	130
Yugoslavia	12	14	---	2/	2/	7	24	---	---	---
Other	2	2/	1	3	---	2/	12	2/	---	2/
Total	156	282	380	309	385	449	570	305	107	133
Asia	3	2	4	4	5	5	7	4	3	2
Other	1	1	1	2/	2/	2/	---	---	2/	2/
Total exports	396	535	655	446	446	508	637	366	156	184
Shipments to U.S. Territories:										
Puerto Rico	64	72	61	66	61	63	69	65	62	63
Virgin Islands	2/	2/	2/	2/	2/	2/	2/	2/	2/	2/
Guam	2/	2/	2/	2/	2/	2/	2/	2/	2/	2/
Total shipments	65	73	62	66	62	63	69	65	62	63
Total exports and shipments	461	608	716	513	508	571	706	431	218	247

1/ Preliminary. 2/ Less than 500,000 pounds.
Totals computed from unrounded numbers.

partly to increased lard production abroad and the current EEC lard export subsidy of $60 per metric ton (2.7 cents per pound). These could result in smaller U.S. exports of lard to the United Kingdom, thus forcing more lard back in the domestic market. The U.K. accounts for about three-fourths of U.S. lard exports.

Spain is planning to build a lard processing plant to produce an edible lard oil by a new process. The plant will have a capacity to make 25,000 tons of oil per year from pork lard, of which there is a large surplus in Spain.

Lard prices (tanks, loose, Chicago) dropped sharply from 10.7 cents per pound in October 1966 to 7.3 cents in September 1967, reflecting increased lard production and general price declines in food fats and oils. The 1966/67 season average price was 8.7 cents per pound, 3 cents below the year before. Lard prices in October 1967, at 7.0 cents per pound, were nearly 4 cents under October 1966. Lard prices during 1967/68, like those of most edible fats and oils, are expected to average somewhat below 1966/67 levels.

BUTTER

1967/68 Butter Supplies Up Due to Larger Starting Stocks

Butter output (including farm) in the fats and oils marketing year that started October 1, 1967, may be down slightly from the 1,245 million pounds in 1966/67. Slightly more milk will be available for use in manufactured dairy products. However, new import quotas on dairy products likely will sharply reduce the amount of foreign milkfat available for use in manufacturing. Total butter supplies are expected to be above last season -- about 1.4 billion pounds, compared with 1.3 billion -- as a result of larger stocks. Carryover stocks on October 1, 1967, totaled 211 million pounds -- up sharply from the 68 million of last October 1. Of this total, around 173 million pounds were in government holdings. Last season, government holdings at the start of the marketing year were negligible.

Butter prices (grade A, bulk, Chicago) during October-March 1967/68 may average near the price support rate of 66.4 cents per pound (Chicago), or about the same as for this period a year ago. Currently, butter production is running above a year ago and domestic use is down. As a result, commercial stocks are smaller than last year.

Domestic disappearance of butter in 1967/68 (October-September) is expected to total around 1.2 billion pounds, slightly above 1966/67. With government holdings of butter at substantial level, larger quantities than in 1966/67 are expected to be used in the school lunch and welfare programs. Increased domestic butter donations are expected to more than offset anticipated declines in commercial consumption. In 1967/68, these donations may check the 30-year downtrend in per capita consumption of butter.

Exports and shipments of butter in 1967/68 may increase slightly from the less than 10 million pounds for 1966/67. Historically, butter exports are small and increase only when CCC stocks become burdensome. In 1963/64, when stocks were at exceptionally high levels, a total of 319 million pounds was exported, largely because European production and stocks were reduced by 2 years of adverse weather conditions, as well as by heavy foreign donations as butter oil and ghee.

PEANUTS

Supply Record High; Prices Near CCC Support

The total supply of farmers' stock peanuts in the 1967/68 marketing year that started August 1 is estimated at 2.9 billion pounds (net weight) -- about 3 percent above the year-earlier record. 1/ The increase is due to the larger crop (table 20).

The 1966 peanut crop was estimated (as of October 1) at 2,542 million pounds, compared with 2,411 million in 1966. Half the year's crop is expected to be produced in the Southeast area, with the Virginia-Carolina area and the Southwest each producing a quarter (table 19). Expected

1/ See footnote on page 26.

Table 18.--Creamery Butter (actual weight): Supply, disposition and price, by months, crop years 1952-66

Year beginning October	Oct.	Nov.	Dec.	Jan.	Feb.	March	Apr.	May	June	July	Aug.	Sept.	Total or average
						Production							
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1952	88	76	95	104	102	121	133	156	154	136	119	95	1,378
1953	92	91	109	118	117	142	141	165	160	128	109	92	1,464
1954	89	88	99	108	104	121	129	158	152	123	102	92	1,366
1955	95	93	106	115	114	130	135	152	149	128	110	92	1,418
1956	93	92	103	115	110	125	132	159	148	126	107	90	1,402
1957	100	94	106	118	113	129	131	152	145	126	97	87	1,400
1958	93	90	107	117	109	121	128	144	136	113	92	83	1,332
1959	92	92	108	118	119	130	128	148	140	115	96	82	1,369
1960	93	94	109	120	116	131	134	154	153	128	108	95	1,434
1961	110	110	126	143	131	150	147	167	152	122	104	91	1,552
1962	108	105	118	133	122	136	140	156	143	114	95	86	1,456
1963	92	92	112	130	125	141	144	154	143	111	95	86	1,425
1964	95	96	121	132	125	141	139	145	134	104	84	73	1,389
1965	78	78	91	99	92	102	107	115	114	83	77	69	1,103
1966 4/	78	81	97	112	105	112	120	129	130	105	86	75	1,230
						Cold Storage Stocks, first of Month							
1952	111	102	84	73	86	100	133	150	194	257	310	335	
1953	323	312	291	282	294	304	347	376	422	468	504	508	
1954	489	463	423	379	342	315	311	293	308	335	352	328	
1955	295	257	202	163	132	98	88	77	80	110	134	118	
1956	90	62	40	25	29	32	41	62	96	147	176	172	
1957	145	127	109	87	86	88	106	116	135	171	190	178	
1958	146	120	93	69	64	64	63	82	104	138	148	132	
1959	93	67	47	31	34	43	65	86	119	163	180	169	
1960	136	116	91	77	76	80	98	123	159	218	250	256	
1961	238	231	224	225	239	260	303	345	387	429	469	456	
1962	419	396	376	359	363	355	392	403	429	471	493	482	
1963	450	386	318	271	229	199	191	185	197	225	253	232	
1964	188	151	97	71	63	69	96	117	149	191	217	184	
1965	161	125	83	52	34	27	26	34	53	86	92	86	
1966 4/	68	58	39	32	35	55	76	103	151	192	228	233	
						Exports 1/							
1952	2/	2/	2/	2/	2/	2/	2/	2/	2/	2/	2/	2/	14
1953	3	2	8	2/	5	5	6	1	9	2/	2	3	45
1954	1	13	11	18	19	14	16	37	32	14	2	11	190
1955	9	21	34	28	19	39	14	28	23	8	7	9	240
1956	1	3	2	1	1	3	1	2/	2/	2	1	2	18
1957	1	1	1	3	6	2	9	3	3	2	6	1	34
1958	1	1	1	1	2/	2/	1	1	2	1	2	9	19
1959	6	4	3	1	1	1	1	2/	1	1	1	1	20
1960	2/	2/	1	1	1	1	2/	1	1	1	1	1	8
1961	2/	1	1	1	1	1	1	2	2	2	2	4	18
1962	2	15	8	1	4	6	6	12	5	11	31	27	131
1963	27	32	35	41	31	32	23	34	24	16	13	11	319
1964	23	25	34	13	11	17	7	5	4	2	4	2	150
1965	2	1	3	3	4	3	2	1	1	2/	1	1	24
1966 4/	1	1	1	1	2/	2/	2/	1	2/	2/	1	2/	7
						Domestic disappearance 3/							
1952	97	94	106	91	88	88	116	112	90	83	93	95	1,152
1953	100	110	110	106	102	95	106	117	104	92	103	109	1,255
1954	113	116	133	127	112	110	132	106	94	91	124	113	1,371
1955	124	126	111	118	129	101	132	121	96	96	118	112	1,383
1956	120	112	116	111	107	112	110	124	97	95	110	115	1,329
1957	118	111	127	118	105	109	113	129	107	104	105	118	1,365
1958	117	115	131	123	108	122	109	121	100	102	106	114	1,368
1959	112	109	121	115	109	107	106	115	95	97	106	116	1,307
1960	113	119	122	121	111	112	109	118	92	95	101	112	1,335
1961	117	116	124	129	109	106	104	124	108	80	115	125	1,356
1962	128	111	126	129	127	92	123	119	96	80	75	91	1,296
1963	129	128	123	134	124	117	127	108	91	68	103	118	1,370
1964	109	126	112	126	108	97	111	108	87	76	114	94	1,267
1965	112	118	120	116	95	100	96	95	81	76	82	85	1,176
1966 4/	88	99	103	110	85	90	93	80	89	68	81	97	1,082
						Price per pound, creamery, Grade A (92 score) bulk, Chicago							
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1952	71.0	69.2	67.1	66.9	66.9	66.6	65.1	65.1	65.1	65.1	65.1	66.1	66.6
1953	67.4	66.2	65.5	65.3	65.3	64.5	57.3	57.1	56.9	56.9	57.0	58.4	61.5
1954	59.1	58.9	59.6	57.4	57.4	57.4	57.3	57.1	57.1	57.1	57.3	58.0	57.8
1955	57.6	57.9	57.7	57.4	57.4	57.4	58.3	59.2	59.1	59.2	59.5	60.3	58.4
1956	60.8	61.9	59.9	59.4	59.4	59.4	59.4	59.4	59.4	59.4	59.6	61.1	59.9
1957	59.8	59.4	59.7	59.4	59.4	59.3	57.8	57.7	57.8	57.8	58.2	60.2	58.9
1958	58.4	58.0	60.0	57.7	57.7	57.8	57.8	57.9	58.0	58.0	60.1	62.6	58.7
1959	61.8	64.0	64.0	58.0	58.0	58.0	58.0	57.9	58.0	58.0	59.1	61.3	59.7
1960	60.8	60.9	60.5	60.5	60.5	60.5	60.5	60.5	60.5	60.5	60.5	60.5	60.6
1961	60.5	60.5	60.5	60.5	60.5	60.5	58.0	58.0	57.9	58.0	58.0	58.3	59.3
1962	58.0	58.0	58.0	58.0	57.9	58.0	58.0	58.0	58.0	58.0	58.0	59.7	58.1
1963	58.5	58.1	58.0	58.0	58.0	58.0	58.0	58.0	58.0	58.0	59.5	61.3	58.4
1964	60.5	62.2	59.2	58.0	58.0	58.0	59.0	59.0	59.0	59.0	61.0	62.2	59.6
1965	62.9	63.3	63.4	59.3	61.8	64.1	62.8	63.6	66.0	71.3	73.0	74.9	65.5
1966 4/	68.8	67.6	66.5	66.5	66.5	66.5	66.4	66.5	66.5	66.5	67.1	67.1	66.9

1/ Includes shipment to U. S. Territories. 2/ Less than 500,000 pounds. 3/ Includes some imports. 4/ Preliminary.
Totals computed from unrounded numbers.

yields per acre are somewhat below the 1966 record in the Virginia-Carolina area and the Southwest. But in the Southeast area, record yields are being obtained this year.

The 1967 acreage to be harvested for nuts, at 1.4 million, is nearly 2 percent below last year's. Acreage allotments for 1967-crop peanuts were again at the legal minimum of 1.6 million acres. While acreage harvested for nuts has changed little in recent years, peanut output has increased with the sharp uptrend in yields. The U.S. average yield has risen from 969 pounds per acre in 1957 to the 1,817 pounds now estimated (October 1) for 1967 -- an increase of about 88 percent during the last decade.

Because of sharp increase in yields, U.S. peanut production from the minimum acreage allotment has resulted in peanut supplies above edible requirements. CCC has acquired the excess. Season average prices to growers have averaged near the CCC support level. The 1967/68 outlook is for peanut prices to average around 11.4 cents per pound ($227 per ton) -- a shade above last year.

The 1967 crop of peanuts is being supported at a national average loan rate of $227 per net weight ton (11.35 cents per pound)--the same as in 1966. The 1967 rate is 75.2 percent of the August 1, 1967, parity price. Support by types is as follows: Virginia, $239.86; Runner, $214.24; Southeast Spanish, $231.98; Southwest Spanish, $222.70; and Valencia (suitable for cleaning and roasting), $239.86. Price support will be available through loans and purchases from time of harvest through January 31, 1968. The marketing agreement program--which was started with 1965-crop peanuts to regulate the quality of peanuts marketed by handlers for edible use--also is being continued in 1967/68.

Edible Consumption Expected to Increase

About two-thirds of the total U.S. disappearance of peanuts is in edible products--chiefly peanut butter, candy, salted, and roasted in shell peanuts. The remaining one-third is crushed for oil and meal, exported, used for seed and feed, or is classified as farm loss. Distribution of the 1966 crop was as follows: domestic food use, 61 percent; crushings, 23 percent; exports, 9 percent; and seed, and loss, 7 percent.

Since 1955/56, the edible consumption of peanuts (farmers' stock basis) has risen from 955 million pounds to 1,490 million in 1966/67. On a per capita basis, the increase has been from 5.8 pounds to 7.6 pounds. Of this, almost 7 pounds are consumed in the form of peanut butter (including sandwiches), salted peanuts, and in candy. The other pound is divided almost equally between cleaned roasting stock peanuts (the ball-park type) and those consumed as food on the farm. In 1966/67, about 53 percent of the total edible peanuts went into the manufacture of peanut butter (including sandwiches), 24 percent were salted, and 21 percent were used in candy.

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[1] USDA Statistical Reporting Service (SRS) collects and publishes reports of the operations of all shellers, crushers and processors under the Peanut Statistics Act. Beginning with the SRS August 1967 Monthly Peanut Stocks and Processing Report and the 1966/67 Seasonal Report, data relating to inventories and millings of "farmers' stock" peanuts will be in terms of "net weight". Further, for stocks of peanuts at month's end, the procedures and factors for deriving "equivalent farmers' stock" have been changed to more nearly reflect current operations. Stocks of total shelled peanuts (shelled edibles plus oil stock) are now converted to an equivalent farmers' stock basis by a factor of 1.33. This is designed to reflect the average total kernel content on a net weight basis. No adjustment is now used for converting cleaned in shell peanuts to an equivalent farmers' stock basis, since data reported are essentially on a net weight basis. Heretofore, in computing gross weight equivalent farmers' stock, shelled edibles have been factored by 1.55 and cleaned in shell by 1.05.

Table 19.--Peanuts: Production and prices received by farmers, by areas, 1950-67

Crop year	Production				Price received by farmers, per pound			
	Va.-N. C. area	S. E. area	S. W. area	Total	Va.-N. C. area	S. E. area	S. W. area	National average
	Million pounds	Million pounds	Million pounds	Million pounds	Cent	Cent	Cent	Cent
1950	483	1,068	466	2,035	12.7	10.4	10.3	10.9
1951	563	853	243	1,659	12.2	9.6	9.2	10.4
1952	549	662	145	1,356	11.3	10.4	11.4	10.9
1953	490	782	301	1,574	12.0	10.6	11.0	11.1
1954	424	429	155	1,008	13.5	11.1	11.7	12.2
1955	388	812	376	1,548	13.1	11.2	11.5	11.7
1956	599	860	147	1,607	11.9	10.7	11.2	11.2
1957	527	660	249	1,436	10.7	10.1	10.4	10.4
1958	554	888	373	1,814	10.9	10.5	10.5	10.6
1959	466	737	321	1,523	10.6	9.0	9.4	9.6
1960	500	851	367	1,718	11.0	9.4	10.0	10.0
1961	471	838	348	1,657	11.6	10.7	10.7	10.9
1962	559	798	363	1,719	11.8	10.6	10.7	11.0
1963	542	1,034	365	1,942	11.3	11.2	11.1	11.2
1964	525	1,137	437	2,099	11.8	11.0	10.9	11.2
1965	659	1,238	486	2,384	12.0	11.2	11.1	11.4
1966	657	1,129	625	2,411	11.4	11.2	11.1	11.2
1967 1/	645	1,305	592	2,542	2/11.8	2/11.5	2/11.1	2/11.5

1/ Preliminary. Based on October 1 indications. 2/ August-October average.

Table 20.--Peanuts: Supply and disposition (farmers' stock basis), United States, 1950-67

Year beginning Aug. 1	Supply				Disposition					
								Domestic food use		
	Production	Imports	Beginning stocks Aug. 1	Total supply	Exports and shipments	Crushed for oil	Seed, feed, farm loss and shrinkage	Military	Civilian	Civilian per capita
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Pounds
1950	2,035	0	187	2,222	69	629	211	14	967	6.4
1951	1,659	0	332	1,991	8	432	120	10	1,005	6.6
1952	1,356	0	416	1,772	3	195	144	10	998	6.4
1953	1,574	1/	422	1,996	239	303	151	10	1,007	6.4
1954	1,008	180	286	1,474	9	107	130	7	1,012	6.3
1955	1,548	5	209	1,762	6	257	157	1	954	5.8
1956	1,607	5	387	1,999	102	260	152	3	1,026	6.1
1957	1,436	2	456	1,894	48	239	162	3	1,081	6.4
1958	1,814	2	361	2,177	62	335	170	8	1,088	6.3
1959	2/1,523	1	514	2,038	72	292	96	3	1,151	6.5
1960	1,718	1/	424	2,142	81	362	87	8	1,236	6.9
1961	1,657	3	368	2,028	34	256	84	7	1,258	6.9
1962	1,719	2	389	2,110	43	302	75	8	1,285	6.9
1963	1,942	2	397	2,341	97	380	107	5	1,342	7.1
1964	2,099	2	410	2,511	179	473	75	8	1,403	7.4
1965	2,384	1	373	2,758	247	517	77	14	1,491	7.6
1966 3/	2,411	2	412	2,825	233	576	154	2	1,488	7.6
1967 4/	2,542	1	5/372	2,915	250	600	150		1,550	7.8

1/ Less than 500,000 pounds. 2/ Beginning with 1959 crop, production reported on a net weight basis. Prior years were gross weight. 3/ Preliminary. 4/ Based on October 1 indications. Disposition forecast. 5/ Net weight basis.

The edible consumption rate in 1966/67 is estimated at nearly 8 pounds--up slightly from the 7.6 pounds the year before. Rising consumer incomes, along with increased consumer acceptance of quality peanut products are factors boosting the peanut usage rate. With increased population, total consumption likely will be even higher. In spite of the projected increases in edible peanut consumption and farm uses, around 850 million pounds--about a third of the 1967 peanut crop--will be available for crushing, exports, and stock accumulation. Most of the peanuts placed under the support program are expected to be acquired by CCC.

Peanut crushings during 1967/68 are expected to total above the 576 million pounds (farmers' stock basis) crushed last year. The level of crush will depend somewhat upon the CCC diversion policy (with respect to peanuts acquired under the 1967 support program), and the quality of the 1967-crop peanuts.

Peanut exports and shipments in 1966/67 totaled 233 million pounds (farmers' stock basis)--about the same as the year before, but considerably above average. The availability of surplus peanuts from CCC stocks at competitive world prices, have helped maintain U.S. peanut exports in recent years. Exports consist of peanuts bought from CCC by the trade primarily of dollar sales to Canada, Western Europe, and Latin America for edible uses. Peanut exports in 1967/68 will face larger competitive supplies, mainly from India.

1968-Crop Peanut Marketing Quota and Allotment Announced

A marketing quota requirement of 1,489,250 tons (2,978 million pounds) of 1968-crop peanuts, and a national allotment of 1,610,000 acres for picking and threshing was announced by the USDA on October 27, 1967. This is the minimum marketing quota and acreage allotment permitted under existing legislation.

Peanut marketing quotas have been in effect each year since 1949. The last referendum was held on November 23, 1965, when a record 97.5 percent of the 36,413 growers voting favored quotas for the 1966, 1967, and 1968 crops. Existing legislation provides that when quotas are in effect, the price of peanuts will be supported at a level between 75 and 90 percent of the parity price.

FLAXSEED

1967 Supply Down One-Fourth; Prices May Increase Some

Total flaxseed supplies in the current marketing year that began July 1, 1967, are placed at 29.6 million bushels. This is one-fourth below the 39.1 million bushels of last season and the smallest since 1961/62 (table 22).

Flaxseed production in 1967 is estimated at 20.3 million bushels--15 percent below last year and the smallest since 1939. The decrease is due to a 23 percent reduction in harvested acreage, which at 2.0 million acres compares with 2.6 million the year before. Yields per acre are placed at 10.0 bushels, compared with 9.1 bushels in 1966. However, yields are down 1.5 bushels per acre in North Dakota, which will produce nearly 45 percent of this year's crop. In Minnesota and South Dakota yields are well above average. Over 98 percent of the 1967 crop is expected to be harvested in these 3 States.

The 1967 flaxseed crop is nearly equal to domestic requirements for crushing and seed. Little, if any, is expected to be acquired by the CCC under the price support program. Flaxseed prices received by farmers in 1967/68 are expected to average around $3.00 per bushel, slightly above the CCC price support rate of $2.90 (farm basis) and the $2.89 per bushel received last season. During July-October 1967, flaxseed prices to farmers averaged $2.96 per bushel, a shade above a year ago.

The flaxseed price support program is being handled through farm and warehouse-stored loans and purchases in most areas, the same as in recent years. Price support loans are available up to 30 days

Table 21.--Flaxseed: Acreage, yield and production by States, crop years 1964-67

	Acreage harvested				Yield per acre harvested				Production				Price per bushel received by farmers			
													Season average			
	1964	1965	1966	1967	1964	1965	1966	1967	1964	1965	1966	1967	1964	1965	1966	1967 1/
	Thou. acres	Thou. acres	Thou. acres	Thou. acres	Bu.	Bu.	Bu.	Bu.	Thou. bu.	Thou. bu.	Thou. bu.	Thou. bu.	Dol.	Dol.	Dol.	Dol.
Wisconsin	3	3	2	--	16.0	15.0	18.0	--	48	45	36	--	2.66	2.66	2.85	---
Minnesota	462	444	404	295	10.0	14.0	9.5	13.5	4,620	6,216	3,838	3,982	2.89	2.86	3.00	3.02
Iowa	4	10	4	3	18.0	20.0	18.0	15.0	72	200	72	45	2.78	2.80	2.95	2.95
North Dakota	1,680	1,630	1,516	1,182	8.0	12.0	9.0	7.5	13,440	19,560	13,644	8,865	2.82	2.77	2.85	2.91
South Dakota	542	569	597	513	8.5	14.0	9.0	14.0	4,607	7,966	5,373	7,182	2.82	2.83	2.95	3.00
Texas	107	94	89	25	11.5	10.0	8.0	6.0	1,230	940	712	150	2.60	2.80	2.50	2.70
Montana	21	20	13	6	8.0	12.5	10.5	7.0	168	250	136	42	2.55	2.49	2.60	2.64
California	6	5	2	1	36.0	45.0	30.0	48.0	216	225	60	48	3.25	3.25	3.30	3.34
United States	2,825	2,775	2,627	2,025	8.6	12.8	9.1	10.0	24,401	35,402	23,871	20,314	2.82	2.80	2.89	2.96

1/ July-October average.

Table 22.--Flaxseed: Price to farmers, acreage, yield, supply and distribution; stocks and total disappearance of linseed oil in terms of flaxseed, United States, 1947-67

Year beginning July	Price per bushel		Acreage harvested		Flaxseed							Linseed oil (in terms of flaxseed)		
					Supply			Distribution					Disappearance	
	Season average received by farmers	Support (farm basis)	Total	Yield per acre	Production	Stocks July 1	Total supply	Net exports	Crushings	Seed	Residual	Stocks, July 1	Domestic	Total 1/
	Dol.	Dol.	Thou. acres	Bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
1947	6.15	5.75	4,129	9.8	40.6	2/1.7	43.0	-.7	30.1	3.2	2.5	7.3	28.9	31.1
1948	5.71	5.75	4,973	11.0	54.8	7.2	62.6	4.1	37.3	3.5	-2.2	7.0	24.5	25.2
1949	3.63	3.74	5,048	8.5	43.0	19.4	62.3	2.0	37.4	2.8	-3.2	19.5	26.5	26.7
1950	3.34	2.57	4.090	9.8	40.2	17.0	57.2	2.9	42.3	2.7	-3.0	29.4	36.4	37.7
1951	3.72	2.65	3,904	8.9	34.7	12.3	47.0	4.2	30.2	2.3	- .2	33.8	29.1	30.5
1952	3.73	3.77	3,304	9.1	30.2	10.5	40.7	.2	25.2	3.2	1.1	33.6	27.8	28.0
1953	3.64	3.79	4,570	8.2	37.7	11.0	48.7	2.4	27.8	3.9	.3	31.3	26.4	41.7
1954	3.05	3.14	5,663	7.3	41.3	14.2	55.5	8.2	32.3	3.4	.4	17.6	26.5	42.8
1955	2.90	2.91	4,914	8.2	40.4	11.2	51.6	10.4	34.9	3.9	-1.8	7.0	27.7	34.8
1956	2.99	3.09	5,473	8.6	47.0	4.1	51.2	2.5	26.2	3.6	-.6	7.0	24.5	28.2
1957	2.94	2.92	4,793	5.2	25.1	19.4	44.5	9.0	27.3	2.6	-3.2	5.1	22.2	26.6
1958	2.69	2.78	3,679	10.2	37.4	8.7	46.2	6.0	22.4	2.3	.9	5.6	22.8	23.2
1959	3.00	2.38	2,932	7.2	21.2	14.6	35.9	8.3	23.2	2.4	-1.1	4.9	20.9	23.7
1960	2.75	2.38	3,342	9.1	30.4	3.0	33.4	7.0	20.0	2.1	-.9	4.5	18.5	19.7
1961	3.26	2.80	2,514	8.8	22.2	5.3	27.5	1.5	19.0	2.2	1.1	4.7	18.5	18.5
1962	2.83	2.90	2,808	11.5	32.2	3.6	35.8	4.3	21.0	2.4	-.3	5.1	19.3	19.8
1963	2.76	2.90	3,172	9.8	31.0	8.4	39.4	3.6	19.4	2.1	1.2	6.4	18.1	18.8
1964	2.82	2.90	2,825	8.6	24.4	13.1	37.5	6.5	20.8	2.0	-2.7	7.1	17.1	18.1
1965	2.80	2.90	2,775	12.8	35.4	10.9	46.3	5.3	22.7	1.9	1.1	9.9	16.5	20.6
1966 3/	2.89	2.90	2,627	9.1	23.9	15.3	39.1	7.5	19.7	1.6	1.2	11.8	15.8	21.7
1967 4/	2.95	2.90	2,025	10.0	20.3	9.3	29.6	4	18	3		9.7	16	18

1/ Domestic disappearance plus linseed oil exports.

2/ Partly estimated.

3/ Preliminary.

4/ Production indicated October 1. Distribution is forecast.

prior to the loan maturity dates. The terminal (Minneapolis) support rate for 1967-crop flaxseed is $3.15 per bushel, the same as in 1966. Loans will mature on May 31, 1968, in Minnesota, Montana, North Dakota, South Dakota, and Wisconsin, and on April 30, 1968, in all other States except Texas, which has a special purchase program. On the loan maturity date CCC also will purchase any nonloan flaxseed from farmers who make application. Through September 30, about 0.8 million bushels of 1967-crop flaxseed were placed under the support program, approximately the same as a year ago.

Flaxseed exports in 1967/68 are expected to total around 4 million bushels (2 million have already been shipped) compared with 7.5 million last season. The smaller volume this year will result from the reduced availabilities. Also, the Flaxseed and Linseed Oil Export Program, which was in operation most of last season, is expected to remain suspended this marketing year. In 1966/67, about 7 million bushels of flaxseed and 88 million pounds of linseed oil were exported under the program before it was discontinued on June 6, 1967.

During 1967/68, flaxseed crushings for oil and meal are forecast at 18 million bushels, compared with 19.7 million the year before. Crushings during July-September 1967 at 3.6 million bushels, were 1.2 million below 1966. Flaxseed crushings during 1962-66 averaged nearly 21 million bushels, down around 50 percent from the earlier 1940's. The reduced demand for linseed oil, primarily in drying oil products, has been a major factor in the decline in flaxseed crushings. Another 2 or 3 million bushels will be needed for seeding next year's crop, leaving around 5 million for carryover stocks on June 30, 1968.

Smaller flaxseed crops also are expected in Canada and Argentina, the other major producers in the Western Hemisphere. Canada is expected to produce a crop of 10.2 million bushels, compared with 22.0 million in 1966. Lower yields due to drought and reduced acreage account for the sharp reduction. Production in Argentina is estimated at around 17 million bushels, compared with 23 million the year before. The United States, Canada, and Argentina account for around three-fifths of the total world output of flaxseed.

LINSEED OIL

Domestic Use May Remain Stable; Exports Likely Will Decline

The U.S. supply of linseed oil in the marketing year which began July 1, 1967, is estimated at around 560 million pounds. This would be down 13 percent from the 646 million of last season. Linseed oil stocks on July 1 totaled 199 million pounds, compared with 241 million the year before. The CCC still holds 80 million pounds of linseed oil acquired under the toll-crush program for 1963-crop flaxseed.

Linseed oil production is forecast at 360 million pounds, compared with 405 million in 1966/67. Domestic disappearance may be virtually unchanged from last year's 325 million pounds; However, intensified competition from lower-priced soybean oil could offset linseed oil usage. Exports probably will be down substantially from the 121 million of the previous year, when the export subsidy program was instrumental in moving this volume.

Linseed oil prices (raw, tank cars, Minneapolis) during July-October 1967 averaged 12.9 cents per pound, or near the same level as a year ago. For the entire marketing year, prices are expected to average around this level. Linseed meal prices (34 percent protein, bulk, Minneapolis) during these same months averaged $74 per ton, compared with $82 for this period the year before, reflecting the general decline in high protein feed prices.

INEDIBLE TALLOW AND GREASES

Supply About Same as Last Year; Stable Price Pattern Anticipated

Total supply of inedible tallow and greases in the 1967/68 marketing year

Table 23.--Tallow, inedible and grease: Supply, disposition and price, by months, 1954-66

Year beginning October	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Total or average
	Production 1/												
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1954	224	234	242	249	225	246	238	234	248	227	257	250	2,875
1955	247	272	271	277	280	282	294	281	268	239	257	248	3,215
1956	265	251	292	280	251	285	251	262	266	245	246	254	3,147
1957	261	254	267	252	214	231	228	243	239	228	230	249	2,896
1958	297	236	291	268	235	267	275	268	273	260	255	289	3,214
1959	310	263	301	301	309	309	315	277	281	284	295	296	3,540
1960	304	263	274	320	263	307	267	317	289	350	309	298	3,561
1961	295	303	327	307	312	333	288	316	357	311	317	311	3,776
1962	303	310	279	341	272	343	335	349	315	346	326	310	3,829
1963	394	371	357	374	377	385	371	403	425	415	378	353	4,604
1964	405	388	413	363	359	371	375	359	395	320	343	371	4,461
1965	368	361	399	364	356	340	335	372	366	364	401	374	4,401
1966 2/	371	414	390	403	366	393	395	407	415	353	397	351	4,653
1967													
	Stocks, first of month												
1954	268	250	248	262	275	263	263	254	250	245	259	259	
1955	260	250	277	299	313	330	343	320	318	331	339	319	
1956	306	308	347	353	360	361	297	263	258	259	262	256	
1957	239	248	258	278	277	254	240	241	236	249	253	241	
1958	230	270	251	296	294	298	297	299	310	317	332	323	
1959	327	333	327	325	325	346	334	323	292	282	301	311	
1960	343	340	331	305	347	354	355	340	356	333	372	379	
1961	389	401	398	408	408	395	426	412	358	340	381	366	
1962	365	371	397	397	475	430	434	427	379	336	349	356	
1963	334	353	373	377	387	423	401	402	334	332	315	305	
1964	282	294	312	366	437	440	448	419	372	354	354	320	
1965	351	368	392	418	435	446	410	414	357	352	382	394	
1966 2/	417	423	431	447	508	472	501	497	482	432	397	394	
1967	411												
	Exports and shipments												
1954	105	102	91	101	103	101	113	95	114	112	123	105	1,265
1955	117	106	106	127	123	122	174	135	118	116	128	121	1,494
1956	109	74	145	115	105	189	133	111	122	122	87	118	1,431
1957	84	95	103	89	98	93	83	106	83	95	83	92	1,107
1958	91	111	88	120	85	109	109	106	114	123	119	131	1,311
1959	149	131	160	152	144	158	172	152	121	148	124	106	1,718
1960	146	120	153	136	119	155	136	151	156	205	150	142	1,769
1961	134	151	169	121	157	118	124	170	180	120	136	130	1,710
1962	109	116	114	74	140	165	164	201	182	178	137	159	1,738
1963	157	160	158	168	155	232	183	274	221	262	191	176	2,338
1964	184	191	161	95	180	172	225	220	225	168	181	151	2,155
1965	166	146	197	146	155	168	143	221	145	168	171	136	1,962
1966 2/	154	202	165	133	210	158	197	212	245	215	190	132	2,214
1967													
	Domestic disappearance												
1954	137	135	137	135	135	145	135	143	139	102	134	144	1,620
1955	141	140	143	135	140	146	144	148	137	115	149	139	1,677
1956	153	138	141	158	145	161	151	156	143	121	166	153	1,786
1957	169	149	144	163	140	151	144	142	144	129	156	168	1,799
1958	166	144	157	150	145	160	162	149	152	120	147	154	1,808
1959	155	138	142	150	143	163	153	156	169	117	161	158	1,806
1960	162	152	147	142	137	151	146	150	155	106	152	146	1,745
1961	149	156	148	186	169	183	178	201	194	150	197	183	2,093
1962	188	168	165	189	178	174	178	196	176	154	184	173	2,124
1963	218	191	195	196	187	176	188	196	206	170	196	200	2,320
1964	208	179	198	197	176	191	179	186	188	151	196	189	2,239
1965	186	191	181	197	190	208	188	208	226	166	219	215	2,375
1966 2/	211	203	208	211	191	206	202	211	220	174	211	203	2,450
1967													
	Price per pound, inedible tallow prime, c.a.f. delivered, Chicago												
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1954	6.7	7.1	7.3	7.8	7.7	6.6	6.7	6.4	6.5	7.1	7.2	7.4	0
1955	7.8	7.8	7.5	7.2	6.6	6.6	6.8	6.9	6.3	6.2	6.3	6.7	6.9
1956	6.8	7.0	7.0	6.8	6.8	6.8	6.8	7.0	7.3	7.6	7.8	7.9	7.1
1957	8.0	8.0	7.9	7.6	7.5	7.8	7.4	7.3	7.5	7.6	7.6	7.4	7.6
1958	7.6	7.6	7.2	6.8	6.5	6.8	6.7	6.6	6.4	6.0	5.7	5.8	6.6
1959	5.6	5.5	5.1	4.8	5.0	5.4	5.6	5.3	5.0	5.1	5.3	5.2	5.2
1960	5.2	5.4	5.2	5.6	6.1	6.8	7.6	7.4	5.8	5.8	5.6	5.2	6.0
1961	5.0	4.8	5.3	5.7	5.2	5.7	5.5	5.2	4.8	4.8	4.7	4.7	5.1
1962	4.8	4.9	4.7	4.7	4.7	4.8	5.1	5.2	5.3	5.4	5.3	5.4	5.0
1963	5.7	5.6	5.6	5.5	5.6	5.8	5.9	5,8	5.8	6.0	6.5	7.1	5.9
1964	7.2	7.6	8.2	7.8	8.3	8.4	8.6	8.1	7.8	7.7	7.2	7.2	7.8
1965	7.4	7.1	7.4	7.9	7.6	7.4	7.2	7.2	7.1	7.2	7.0	7.1	7.3
1966 2/	6.5	5.8	6.1	6.1	5.7	5.2	5.2	5.2	5.0	4.9	5.0	4.9	5.5
1967													

1/ Computed production based on reported factory consumption, net foreign trade, and change in stocks. Reported factory production excludes that from small rendering plants. During October 1962-December 1963, production as reported by Census which includes estimates for small producers. 2/ Preliminary. Totals computed from unrounded numbers.

Table 24.—Tallow, inedible, and greases: United States exports, by country of destination, 1958-66

Country of destination	Year beginning October								
	1958	1959	1960	1961	1962	1963	1964	1965	1966 1/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
North America									
Canada	18	19	24	26	32	33	25	18	11
Cuba	38	25	1	---	---	---	---	---	---
Dominican Republic	6	6	4	7	6	7	11	10	14
El Salvador	1	9	5	15	12	17	14	11	14
Guatemala	7	10	14	13	20	18	17	21	33
Mexico	15	13	4	3	1	1	3	6	5
Other	15	11	15	17	19	27	23	30	36
Total	100	93	68	81	91	103	93	96	112
South America									
Columbia	21	21	24	28	21	22	25	19	33
Ecuador	9	15	16	18	19	30	23	35	33
Peru	7	7	11	23	19	52	26	45	22
Venezuela	8	7	9	15	12	23	22	18	15
Other	4	7	2	5	2	26	13	4	1
Total	49	57	63	88	73	153	108	121	103
Western Europe									
Belgium-Luxembourg	31	53	24	21	17	38	16	13	17
France	2/	42	3	11	10	24	38	9	28
Germany-West	67	94	119	84	94	102	76	80	50
Italy	269	311	213	229	197	171	128	145	128
Netherlands	229	286	215	218	186	301	188	207	183
Norway	2	2	2	4	5	5	3	4	4
Spain	2	38	62	101	116	101	104	106	116
Switzerland	8	13	8	20	32	50	54	26	39
United Kingdom	15	26	30	19	19	59	82	64	55
Other	16	12	16	3	17	29	26	11	29
Total	639	877	692	711	694	880	715	665	649
Eastern Europe									
Poland	43	51	44	70	65	128	89	55	29
Yugoslavia	24	12	22	33	25	13	35	2	5
U.S.S.R. (Europe and Asia)	---	---	198	66	33	122	167	101	---
Other	---	---	---	6	1	9	10	5	2/
Total	67	63	264	175	124	272	301	163	34
Africa									
Algeria	---	---	---	---	1	12	23	20	23
Egypt	58	57	62	91	106	130	75	86	137
Ghana	---	---	---	2/	5	31	11	15	34
Morocco	14	18	17	23	20	25	24	26	25
Union of South Africa	38	64	57	16	15	32	39	27	21
Other	1	6	8	7	9	20	16	15	25
Total	111	145	144	137	156	250	188	189	265
Asia									
Turkey	2/	---	2/	32	46	50	16	53	30
China (Taiwan)	27	21	27	34	57	38	51	36	54
Japan	255	353	407	298	341	422	458	506	518
Korea	20	22	21	34	41	35	38	41	62
India	---	---	2/	2/	1	1	91	3	223
Iran	21	30	15	34	34	38	29	32	40
Pakistan	3	33	33	57	50	60	38	25	100
Philippines	15	18	22	21	21	21	17	14	12
Other	4	6	14	8	9	12	9	15	8
Total	345	483	538	518	600	677	748	725	1,048
Total Exports	1,311	1,718	1,769	1,710	1,738	2,338	2,155	1,959	2,211

1/ Preliminary.
2/ Less than 500,000 pounds.

Totals computed from unrounded numbers.

which began October 1 is forecast at around 5.0 billion pounds. This would be roughly the same as the 5.1 billion pounds of last season. Carryover stocks on October 1, 1967, totaled 411 million pounds, compared with 417 million last year.

During 1967/68, domestic disappearance is forecast around $2\frac{1}{2}$ billion pounds, up slightly from the previous year. Most of the increase is expected to go into animal feeds and soap, the two major domestic markets for inedible tallow today. Little change is expected in tallow going into fatty acid, lubricants, and "other" uses. The domestic market for inedible tallow is highly sensitive to price, and consumption readily responds to price changes.

Exports during 1967/68 likely will increase slightly from the 2.2 billion pounds the year before (table 24). The major commercial markets are Japan and Western Europe, which account for around three-fifths of total U.S. exports. Exports of inedible tallow under P.L. 480 programs during the current marketing year are expected to be substantial, possibly exceeding the estimated 214 million exported in 1966/67. Last season, India, Pakistan, Korea, and China (Taiwan) were major takers. About 85 percent of the total export volume moved under Title I programs and the balance under Title IV. As of October 1, 1967, around 145 million pounds of inedible tallow still remained to be shipped under the 2 programs.

Inedible tallow prices (prime, delivered, Chicago) declined from 6.5 cents per pound in October 1966, to 4.9 in September 1967, averaging 5.5 cents for the marketing year. Following a buildup in stocks last winter, prices weakened. This was mainly due to an increase in tallow production, which more than offset increases in domestic disappearance and exports. In recent months, total disappearance (domestic use plus exports) has been exceeding production, and stocks have been worked down. Prices in October 1967, also averaged 4.9 cents per pound. During 1967/68, inedible tallow prices are expected to be more stable than they were last year, and probably will average around 5-6 cents per pound for the entire marketing year.

TUNG OIL

1967/68 U.S. Supplies Continue Heavy; Western Hemisphere Output Smaller

Based on trade estimates, U.S. tung oil production in the 1967/68 marketing year which began November 1, will total around 15 million pounds. This would be down sharply from the 25 million pounds for 1966/67. Heavy frost last fall severely damaged the buds before the trees became dormant, significantly reducing tung nut prospects. The first official USDA estimate of the 1967 tung nut crop will be released on December 19.

Carryover stocks of tung oil on November 1, 1967, are estimated at approximately 70 million pounds--compared with 53 million on last November 1. About 90 percent of these stocks were either owned or controlled by the CCC. Of this volume, around 24 million pounds was 1966-crop tung oil which had been placed under the loan program. The balance had been acquired from previous crops. Tung oil imports this marketing year will likely be down sharply from the 22 million now estimated for 1966/67. Based on the above estimates for production, imports, and starting stocks, total 1967/68 domestic supplies would be almost 100 million pounds--equivalent to 3 years' supply at current consumption rates.

Due primarily to lower domestic prices, 1967/68 domestic disappearance of tung oil may increase slightly from the 30 million pound use expected in 1966/67. Domestic use of tung oil is down sharply from the postwar high of 130 million pounds in 1947/48. Fluctuating supplies and unstable prices have adversely affected tung oil usage. Many former users have switched to lower-priced substitutes that are in fairly steady supply.

During 1966/67, a total of 8.4 million pounds of 1963-tung oil (including foots) was sold by the National Tung Oil Marketing Cooperative (in behalf of CCC) at an average price of around 12.0 cents per pound. This was about half the support price of 24.0 cents per pound. Offers of 1 million pounds are made semimonthly. CCC sales will continue to set the market price for tung oil in the U.S.

The 1967 tung nut crop will be supported at not less than $63.34 per ton (67.8 percent of the June 1967 parity price of $93.40 per ton), with an equivalent support of 24 cents per pound for tung oil. The 1967 support rates are the same as last year. The program will be operated through nonrecourse warehouse storage loans on tung oil available to eligible producers from November 1, 1967, through September 30, 1968. Tung oil not redeemed by October 31, 1968, will be pooled and handled by the National Tung Oil Marketing Cooperative, Inc.

World-wide production of tung oil in 1967/68 is placed near 258 million pounds, down nearly 20 percent from the 315 million of last season. The reduced world output is due to unfavorable prospects in most of the major-producing areas of the world.

Combined production in Argentina and Paraguay is placed at 49 million pounds, compared with 79 million last season. When the small U.S. production is included, output in these 3 important Western Hemisphere countries is expected to total around 64 million pounds, about 40 percent below the 104 million now estimated for the year before. Output in Mainland China, the world's leading tung oil producer, is estimated to be around 165 million pounds--down from the 200 million of a year ago. No estimates are available as to how much of this volume from Red China will enter world markets.

FISH OILS

Little Change in Prospective Supplies; Prices Are Lower

Total fish oil supplies (non-medicinal) during the 1967/68 marketing year that started October 1 are expected to continue around the 365 million pounds of last year. In 1966/67, domestic production was 123 million pounds, imports were 62 million pounds, and beginning stocks on October 1, 1966, were 180 million pounds. Domestic output has declined in recent years and is now at the lowest level since the early 1930's, due to poor catches of menhaden which account for over 90 percent of U.S. fish oil output. Menhaden are found along the Eastern and Gulf coasts of the United States. The peak season for catching menhaden runs from April through September. The greater part of U.S. fish oil imports consist of whale sperm oil, which is used as a lubricant for fine instruments.

Because of lower prices, domestic disappearance of fish oils during 1967/68 may increase slightly from the 123 million pounds last season. Fish oils are used primarily for industrial purposes, such as in paints and varnishes, resins and plastics, fatty acids, and lubricants.

Fish oil exports in 1967/68 will be determined primarily by the size of the menhaden catch next year. U.S. exports totaled 82 million pounds in 1966/67, consisting largely of menhaden oil.

U.S. fish oil stocks on October 1, 1967, were 160 million pounds compared with 180 million a year ago.

Menhaden oil prices (crude, tanks, Baltimore) dropped from 9.5 cents per pound in October 1966 to 6.0 cents in September 1967, averaging 8.1 cents for the marketing year compared with 9.5 cents a year ago. Prices likely will remain below year-earlier levels through the first half of the 1967/68 marketing year and into next spring, when the 1968 fishing season begins and prospective fish oil production becomes clearer.

The Fats and Oils Situation is published January, March, June, September and November.

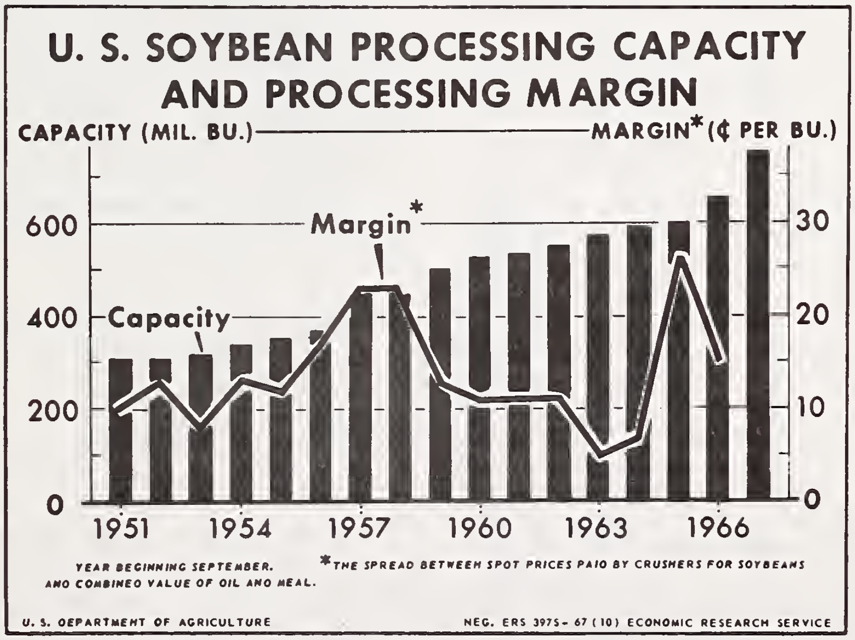
The next issue is scheduled for release in January 1968.

U.S. SOYBEAN PROCESSING CAPACITY CONTINUES EXPANSION

by
George W. Kromer

The U.S. soybean industry has expanded its processing capacity rapidly--from 310 million bushels in 1951/52 to an estimated 750 million during 1967/68, according to trade sources. Processors have continued to anticipate increases in soybean production and their growing markets for soybean oil and meal. On a monthly basis, the 1967/68 processing capacity is estimated at about 62.5 million bushels compared with 55 million in 1966/67.

Soybean processing capacity has substantially exceeded the volume crushed despite the sharp upward trend in soybean production and the reduction in the number of plants. The excess capacity results primarily from the building of larger and more efficient mills and enlargement of facilities of already active mills. These changes occurred as plants shifted from older mechanical methods of crushing soybeans to the more efficient solvent processing. This has given greater versatility to processing facilities, and makes it easier for a mill to process more than 1 type of oilseed during the season. With the construction of large solvent extraction mills and the advent of the horizontally integrated processor (mixed feed-crushing operation), processors' margins were generally reduced from 23 cents per bushel in 1957 -1958 to 15 cents for the industry as a whole in 1966/67. 1/ Solvent extraction is the more efficient processing technique and currently used for more than 95% of all soybeans processed in this country.


U. S. SOYBEAN PROCESSING CAPACITY AND PROCESSING MARGIN

YEAR BEGINNING SEPTEMBER. *THE SPREAD BETWEEN SPOT PRICES PAID BY CRUSHERS FOR SOYBEANS AND COMBINED VALUE OF OIL AND MEAL.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 3975- 67 (10) ECONOMIC RESEARCH SERVICE

Figure 1

1/ Processors' margins as used here represent the spot spread between the price paid by crushers for soybeans and the combined value of soybean products (oil and meal). This calculation is based on simple averages of monthly cash prices as shown in table 26.

Table 25.--Estimated number of soybean oil mills and processing capacity in the United States, 1951-67

Year beginning September	Processing mills 1/	Processing capacity				Average per mill	
		Total 2/	Utilized 3/	Excess 4/	Ratio of utilized to total	Processing Capacity	Capacity utilized 3/
	Number	Mil. bu.	Mil. bu.	Mil. bu.	Pct.	Mil. bu.	Mil. bu.
1951	193	310	244	66	79	1.6	1.3
1952	174	(315)	234	81	74	1.8	1.3
1953	159	(320)	218	102	68	2.0	1.4
1954	162	(340)	241	99	71	2.1	1.5
1955	152	(355)	282	73	79	2.3	1.9
1956	144	370	314	56	85	2.6	2.2
1957	139	450	351	99	78	3.2	2.5
1958	130	450	399	51	89	3.5	3.1
1959	121	500	394	106	79	4.1	3.2
1960	123	525	406	119	77	4.3	3.3
1961	126	(535)	431	104	81	4.2	3.4
1962	128	550	473	77	86	4.3	3.7
1963	127	575	437	138	76	4.5	3.4
1964	123	585	479	106	82	4.8	3.9
1965	124	600	537	63	89	4.8	4.3
1966	128	650	551	99	85	5.1	4.3
1967	135	750	5/600	150	80	5.5	4.4

1/ Estimates developed from Census data and trade directories. Includes cottonseed and other oilseed mills that process significant quantities of soybeans.
2/ Trade estimates 1958 to date (except 1961). Data in brackets are USDA interpolations.
3/ Soybeans actually crushed.
4/ Difference between total capacity and soybeans utilized (crushed).
5/ Forecast.

Table 26.--Soybeans: Value of products per bushel of soybeans processed and price spread, 1947-66

Year beginning September	Value of Products Per Bushel							Soybean price		Spread between value of products and soybean price	
	Soybean Oil			Soybean Meal			Total Value				
	Yield	Price 1/	Value	Yield	Price 1/	Value		Received by farmers	No. 1 yellow, Illinois points	Received by farmers	No. 1 yellow, Illinois points
	Pounds	Cents	Dollars	Pounds	Cents	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
1947	9.5	23.4	2.22	47.5	4.15	1.97	4.19	3.33	3.69	.86	.50
1948	9.8	14.0	1.37	47.2	3.29	1.55	2.92	2.27	2.41	.65	.51
1949	9.9	12.0	1.19	46.9	3.28	1.54	2.73	2.16	2.50	.57	.23
1950	9.7	17.9	1.74	46.8	3.16	1.48	3.22	2.47	2.95	.75	.27
1951	10.0	11.6	1.16	46.7	4.07	1.90	3.06	2.73	2.96	.33	.10
1952	10.8	12.0	1.30	47.3	3.52	1.66	2.96	2.72	2.83	.24	.13
1953	11.0	13.4	1.47	47.4	3.90	1.85	3.32	2.72	3.24	.60	.08
1954	10.9	12.2	1.33	45.9	3.06	1.40	2.73	2.46	2.60	.27	.13
1955	11.1	12.5	1.39	46.2	2.68	1.24	2.63	2.22	2.51	.41	.12
1956	10.9	12.7	1.38	47.5	2.36	1.12	2.50	2.18	2.33	.32	.17
1957	10.8	11.0	1.19	46.8	2.64	1.24	2.43	2.07	2.20	.36	.23
1958	10.6	9.6	1.02	47.3	2.82	1.33	2.35	2.00	2.12	.35	.23
1959	11.0	8.3	.91	46.5	2.77	1.29	2.20	1.96	2.07	.24	.13
1960	11.0	11.2	1.23	47.0	3.00	1.41	2.64	2.13	2.53	.51	.11
1961	10.9	9.7	1.06	47.2	3.11	1.47	2.53	2.28	2.41	.25	.12
1962	10.7	8.8	.94	46.9	3.57	1.67	2.61	2.34	2.50	.27	.11
1963	10.9	8.4	.92	48.0	3.58	1.72	2.64	2.51	2.59	.13	.05
1964	10.9	11.2	1.22	47.7	3.48	1.66	2.88	2.62	2.81	.26	.07
1965	10.7	11.8	1.26	47.5	4.02	1.91	3.17	2.54	2.91	.63	.26
1966 2/	10.7	10.4	1.11	47.7	3.98	1.90	3.01	2.77	2.86	.24	.15

1/ Simple average price per pound using the following quotations: Soybean oil, crude, tank cars, f.o.b. Decatur; soybean meal, bulk, Decatur, quoted as 41 percent prior to July 1950, 44 percent beginning July 1950.
2/ Preliminary.

Volume of Soybeans Crushed Averages 80% of Capacity

Soybean crushings have increased in about the same proportion as processing capacity. Crushings in 1951/52 were 244 million bushels (capacity was 310 million) compared with the 1967/68 forecast of around 600 million bushels (capacity is placed at 750 million). During the entire period, the ratio of utilized capacity (actual crushings) to total capacity has averaged about 80% (table 25).

The estimated number of mills processing soybeans declined from 193 in 1951/52 to 135 during 1967/68, a decrease of 58 plants or approximately 30%. But at the same time, the average annual processing volume per mill increased from 1.3 million bushels in 1951/52 to 4.4 million in 1967/68, or by about 238%. Operations on a larger scale enable processors to take advantage of savings arising from both the processing of soybeans and the marketing of products.

Soybean processing plants are concentrated in the main areas of soybean production. In the early 1950's, nearly two-thirds of the soybean mills in the United States were located in the soybean-corn belt States and one-third outside this region--the Plains States, lower Mississippi Valley, Middle Atlantic States, and the Southeast. By 1967, however, the 135 soybean processing mills were about equally distributed between the central soybean-corn belt and production areas outside the central States.

Proportion of Soybean Crop Crushed Declines as Exports Expand

In 1953, about 81 percent (218 million bushels) of the soybean crop (269 million bushels) was processed at domestic soybean oil mills, and 15 percent (40 million bushels) was exported as beans (table 27). Since then, the volume of domestically processed soybeans has increased at an average annual rate of about 8 percent, while the volume of soybean exports grew about 16 percent annually. In 1967, an estimated 60 percent of the soybean crop will be processed domestically and about 30 percent will be exported as beans. In recent years, seed use has accounted for about 5-6 percent of the total soybeans produced annually.

Domestic Use Accounts for 80 Percent of Soybean Oil Output

Annual domestic disappearance of soybean oil currently accounts for about 80 percent of the soybean oil produced in the United States, and exports about 20 percent (table 28). Prior to the enactment of P.L. 480 in 1954, a law which authorized Government-financed exports of edible oil to underdeveloped nations, the proportion of soybean oil used at home was considerably greater. Each year since the beginning of the program in 1954, edible vegetable oils (soybean and cottonseed) have been designated as a surplus commodity available for export for foreign currencies under P.L. 480.

As may be seen in table 29, total soybean oil exports, when including the oil equivalent of exported soybeans, increased from 0.5 billion pounds in 1953/54 to 3.9 billion in 1966/67. On this overall oil and oil equivalent basis, over 75% of soybean oil exports are for dollars and less than 25% under programs.

Soybean Meal Exports Trend Upward

Domestic use of soybean meal has increased from 5.1 million tons (98% of total U.S. production) in 1953/54 to 10.5 million tons (80% of production) during 1966/67. Domestic use of soybean meal is almost exclusively for feed. The largest portion of soybean meal use has been in poultry feeds, although the biggest increase in consumption recently has been in hog feeds. Factors primarily responsible for the rapid expansion of U.S. soybean meal consumption have been increasing livestock numbers, increased feeding of high protein concentrates per animal unit, and the rapid expansion of the mixed feed industry.

Soybean meal exports increased from 73,000 tons in 1953/54 to nearly 2.7

Table 27.--Soybeans: Production, disposition, and value of products, year beginning September 1, 1953-67

Year beg. Sept. 1	Production	Disposition 1/						Value of products per bushel of soybeans crushed 2/				
		Crushings		Exports		Seed		Soybean Oil (crude)	Soybean Meal (bulk)	Total	Percentage distribution	
		Actual	% of production	Actual	% of production	Actual	% of production				Oil	Meal
	Mil. bu.	Mil.bu.	Pct.	Mil.bu.	Pct.	Mil.bu.	Pct.	Dol.	Dol.	Dol.	Pct.	Pct.
1953	269.2	217.8	81	40.1	15	22.9	8	1.47	1.85	3.32	44	56
1954	341.1	241.4	71	57.3	17	23.4	7	1.33	1.40	2.73	49	51
1955	373.7	281.9	75	68.6	18	25.8	7	1.39	1.24	2.63	53	47
1956	449.3	313.6	70	83.7	19	26.4	6	1.38	1.12	2.50	55	45
1957	483.4	350.9	73	88.4	18	29.5	6	1.19	1.24	2.43	49	51
1958	580.2	398.8	69	105.0	18	27.4	5	1.02	1.33	2.35	43	57
1959	532.9	394.0	74	139.9	26	29.3	5	.91	1.29	2.20	41	59
1960	555.1	406.1	73	134.7	24	32.5	6	1.23	1.41	2.64	47	53
1961	678.6	431.4	64	149.4	22	33.3	5	1.06	1.47	2.53	42	58
1962	669.2	472.7	71	180.5	27	34.6	5	.94	1.67	2.61	36	64
1963	699.2	436.8	62	187.2	27	36.0	5	.92	1.72	2.64	35	65
1964	700.9	479.0	68	212.2	30	40.3	6	1.22	1.66	2.88	42	58
1965	845.6	537.5	64	250.6	30	42.9	5	1.26	1.91	3.17	40	60
1966	931.5	551.3	59	257.1	28	46.6	5	1.11	1.90	3.01	37	63
1967 3/	993.7	600	60	290	29	47	5					

1/ Disposition totals for individual years may exceed production due to stock changes. 2/ See table 26 for method of computing. 3/ Production indicated October 1. Disposition is forecast.

Table 28.--Soybean oil and meal: Production and disposition, and bean equivalent of exports, year beginning September 1, 1953-67

Year beg. Sept. 1	Soybean Oil						Soybean Meal					
	Production	Disposition 1/					Production	Disposition 1/				
		Domestic Use		Exports & Shipments				Domestic Use		Exports & Shipments		
		Actual	% of production	Actual	% of production	Bean Equiv. 2/		Actual	% of production	Actual	% of production	Bean Equiv. 2/
	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Pct.	Mil. bu.	1,000 tons	1,000 tons	Pct.	1,000 tons	Pct.	Mil. bu.
1953	2,399	2,369	99	77	3	7	5,162	5,056	98	73	1	3
1954	2,630	2,585	98	49	2	4	5,534	5,368	97	247	4	11
1955	3,128	2,582	83	483	15	44	6,516	6,042	93	397	6	17
1956	3,408	2,494	73	856	25	78	7,452	7,052	95	452	6	19
1957	3,774	3,023	80	728	19	66	8,210	7,921	96	300	4	13
1958	4,224	3,278	78	899	21	82	9,434	8,921	95	496	5	21
1959	4,337	3,352	77	1,058	24	96	9,170	8,537	93	640	7	28
1960	4,465	3,292	74	719	16	65	9,538	8,847	93	606	6	26
1961	4,709	3,556	76	1,218	26	111	10,161	9,217	91	1,042	10	44
1962	5,079	3,712	73	1,145	23	104	11,095	9,579	86	1,439	13	61
1963	4,769	3,903	82	1,124	24	102	10,488	9,088	87	1,415	13	59
1964	5,215	4,097	79	1,362	26	124	11,439	9,102	80	2,105	18	88
1965	5,747	4,685	82	974	17	89	12,772	10,176	80	2,616	20	110
1966	5,905	4,665	79	1,062	18	97	13,164	10,524	80	2,659	20	111
1967	6,400	5,100	80				14,200	11,350	80			

1/ Disposition totals for individual years may exceed production due to stock changes. 2/ Based on 11.0 pounds of oil and actual output of meal per bushel.

Table 29.--Soybeans, soybean oil, and soybean meal: U.S. exports as such and as oil and meal equivalent, year beginning September 1, 1953-67

Year beg. Sept. 1	Soybean exports			Soybean oil exports			Soybean meal exports		
	Actual	Oil equivalent of soybeans 1/	Meal equivalent of soybeans 2/	Actual	Oil equivalent of soybeans 1/	Total oil equiv.	Actual	Meal equitv. of soybeans 2/	Total meal equiv. 2/
	Mil. bu.	Mil. lb.	1,000 tons	Mil. lb.	Mil. lb.	Mil. lb.	1,000 tons	1,000 tons	1,000 tons
1953	40.1	441	951	77	441	518	73	951	1,024
1954	57.3	630	1,315	49	630	679	247	1,315	1,562
1955	68.6	754	1,584	483	754	1,237	397	1,584	1,981
1956	83.7	921	1,989	856	921	1,777	452	1,989	2,441
1957	88.4	972	2,068	728	972	1,700	300	2,068	2,368
1958	105.0	1,155	2,483	899	1,155	2,054	496	2,483	2,979
1959	139.9	1,539	3,253	1,058	1,539	2,597	640	3,253	3,893
1960	134.7	1,481	3,165	719	1,481	2,200	606	3,165	3,771
1961	149.4	1,644	3,526	1,218	1,644	2,862	1,042	3,526	4,568
1962	180.5	1,985	4,232	1,145	1,985	3,130	1,439	4,232	5,671
1963	187.2	2,060	4,494	1,124	2,060	3,184	1,415	4,494	5,909
1964	212.2	2,334	5,071	1,362	2,334	3,696	2,105	5,071	7,176
1965	250.6	2,757	5,952	974	2,757	3,731	2,616	5,952	8,568
1966	257.1	2,829	6,133	1,062	2,829	3,891	2,659	6,133	8,792
1967	290	3,200	6,900						

1/ Based on 11.0 pounds of oil per bushel of soybeans. 2/ Based on actual output of meal per bushel of soybeans.

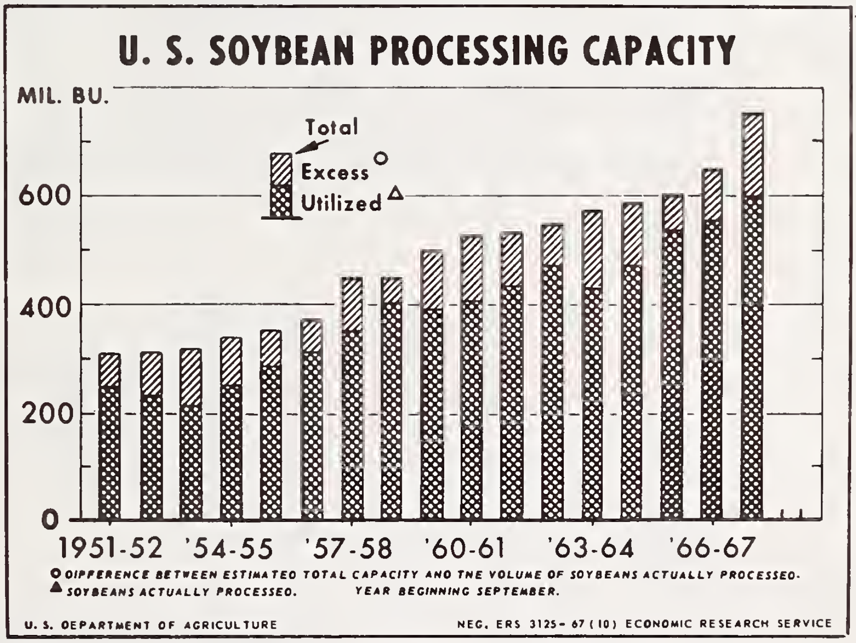
million tons 1966/67. Between 1953 and 1960, soybean meal exports averaged only about 5 percent of total production. Since 1960, however, exports of soybean meal have been increasing rapidly, reaching 20 percent of production in 1966/67. Rising animal numbers in foreign nations, (especially Western Europe), growing acceptance of vegetable protein in livestock rations, and high-quality of U.S. toasted soybean meal have contributed to this increase.

While soybean meal exports in meal form have expanded sharply in recent years, most U.S. meal is still exported in the form of soybeans (table 29). During the 1966/67 marketing year, about 8.8 million tons of soybean meal (including the meal equivalent of 257 million bushels of soybeans) was exported. Of this total, 2.7 million tons, or 30 percent, was exported as meal whereas 6.1 million tons, or 70 percent, were exported as soybeans.

OUTLOOK

The soybean processing industry will continue to expand facilities in anticipation of larger supplies and excess capacity will continue to exist. Trends toward larger mills, the integration of soybean crushings with feed-mixing and other integrated activities, and excess processing capacity all will tend to keep continued pressure on processing margins.

In the long run, any sizable future expansion in U.S. output of edible fats and oils and meal will come primarily from soybeans. Soybeans are grown as a direct source of oil and meal, whereas competitive cottonseed is a byproduct of the cotton industry and lard is a byproduct of pork production. Demand prospects suggest a continued uptrend for soybeans and products at a rate greater than the growth in population. Thus, the soybean processing industry likely will make further significant gains as soybeans play an even greater role in the fats and oils economy.



○ DIFFERENCE BETWEEN ESTIMATED TOTAL CAPACITY AND THE VOLUME OF SOYBEANS ACTUALLY PROCESSED.
▲ SOYBEANS ACTUALLY PROCESSED. YEAR BEGINNING SEPTEMBER.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 3125-67 (10) ECONOMIC RESEARCH SERVICE

Figure 2

* *

Table 30.--Price support operations for oilseeds, 1957-67

Item	Unit	Crop year 1/ 1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
Soybeans:												
Support price	Dol.	2.09	2.09	1.85	1.85	2.30	2.25	2.25	2.25	2.25	2.50	2.50
Percentage of parity	Pct.	70	70	64	64	79	78	75	74	74	79	78
Price received by farmers per bushel	Dol.	2.07	2.00	1.96	2.13	2.28	2.34	2.51	2.62	2.54	3/2.77	
Production	Mil. bu.	483.4	580.2	532.9	555.3	679.6	669.2	699.2	700.9	845.6	931.5	993.7
Placed under loan or purchased under support program:												
Quantity	Mil. bu.	90.6	140.2	52.4	25.6	132.5	68.8	72.8	28.7	86.1	152.0	
Percentage of crop	Pct.	18.7	24.2	9.8	4.6	19.5	10.2	10.4	4.1	10.2	16.3	
Acquired by CCC	Mil. bu.	44.5	87.3	3.9	---	57.2	1.2	12.2	2/	2/	7.4	
CCC carryout stocks, Sept. 30	Mil. bu.	13.9	44.2	9.7	---	40.0	1.7	0	0	0	7.4	
Reseal in farm storage, Sept. 30	Mil. bu.	---	13.4	---	---	11.0	---	6.5	0	0	10/14.3	
Cottonseed:												
Support price:												
Basis grade 100--												
Loan	Dol.	46.00	45.00	38.00	38.00	49.00	48.00	5/	5/	5/	5/	5/
Purchase	Dol.	42.00	41.00	34.00	34.00	45.00	44.00	44.00	44.00	43.00	48.00	48.00
Percentage of parity	Pct.	65	65	57	57	78	76	70	70	68	74	71
Price received by farmers per ton	Dol.	51.10	43.80	38.80	42.60	51.10	47.90	50.70	47.10	46.70	65.90	
Production	1,000 tons	4,609	4,798	5,991	5,886	5,978	6,139	6,192	6,237	6,087	3,960	3,326
Placed under loan or purchased under support program:												
As seed	1,000 tons	---	---	---	---	---	---	---	---	---	---	---
As oil, crude basis	Mil. lb.	---	---	180	---	9	---	---	---	---	---	---
Percentage of crop 4/	Pct.	---	---	11.1	---	.2	---	---	---	---	---	---
Acquired by CCC:												
As seed	1,000 tons	---	---	---	---	---	---	---	---	---	---	---
As oil, crude basis	Mil. lb.	---	---	180	---	9	---	165	---	---	---	---
CCC carryout stocks of oil, crude basis, July 31	Mil. lb.	---	---	---	---	9	---	120	---	---	---	---
Flaxseed:												
Support price	Dol.	2.92	2.78	2.38	2.38	2.80	2.90	2.90	2.90	2.90	2.90	2.90
Percentage of parity	Pct.	65	65	60	62	73.5	76	75	76	76	74	74
Price received by farmers per bushel	Dol.	2.94	2.69	3.00	2.65	3.26	2.83	2.76	2.82	2.80	2.89	
Production	Mil. bu.	25.1	37.4	21.2	30.4	22.2	32.2	31.0	24.4	35.4	23.9	20.3
Placed under loan or purchased Under support program:												
As seed	Mil. bu.	4.4	15.1	.4	3.1	.9	7.0	12.9	6.3	11.1	1.9	
As oil	Mil. lb.	---	---	---	---	---	---	---	---	---	---	---
Percentage of crop	Pct.	17.1	39.3	2.0	10.1	4.1	21.7	41.0	25.8	31.5	7.9	
Acquired by CCC:												
As seed	Mil. bu.	3.5	13.1	2/	2/	2/	5.7	10.8	4.0	9.3	1.0	
As oil	Mil. lb.	---	---	---	---	---	---	21	59	---		
CCC carryout stocks June 30:												
As seed	Mil. bu.	3.2	6.9	.1	---	---	5.3	9.3	7/2.4	8/12.4	4.6	
As oil	Mil. lb.	---	11.0	---	---	---	---	21	80	80	80	
Reseal in farm storage, June 30	Mil. bu.	---	1.3	---	---	---	---	---	---	---	---	
Tung nuts and oil:												
Support price:												
Nuts, per ton	Dol.	52.13	53.89	53.50	53.50	63.34	63.34	63.34	63.34	63.34	63.34	63.34
Oil, per pound	Ct.	20.5	21.0	20.9	20.9	24.0	24.0	24.0	24.0	24.0	24.0	24.0
Percentage of parity	Pct.	65	75	65	66	82	84.5	75	72.6	69.8	68.2	68.1
Price received by farmers:												
Nuts, per ton	Dol.	52.30	53.20	52.40	62.50	87.30	122.00	65.50	61.70	60.50	57.90	
Oil, per pound 6/	Ct.	21.4	21.9	21.9	26.5	35.2	38.0	26.7	25.9	24.1		
Production:												
Nuts	1,000 tons	82.6	146.7	110.6	42.6	111.5	22.8	73.5	123.3	33.3	93.3	
Oil	Mil. lb.	25.5	44.8	34.0	13.0	33.3	7.6	20.6	36.8	10.0	25.0	
Placed under loan or purchased under support program:												
Nuts	1,000 tons	---	---	---	---	---	---	---	---	---	---	
Oil	Mil. lb.	15.2	33.9	23.0	4.5	9.8	2.3	15.7	26.4	9.3	24.5	
Acquired by CCC--oil	Mil. lb.	11.1	24.6	16.1	---	---	---	14.8	9/ 24	9/31.3	9/55.0	
CCC carryout stocks of oil Oct. 31	Mil. lb.	25.8	30.0	23.0	---	---	---	14.8	14.8	15.3	8.0	

1/ Beginning September 1 for soybeans, August 1 for cottonseed, July 1 for flaxseed, and November 1 for tung nuts and oil. 2/ Less than 50,000 bushels. 3/ Preliminary. 4/ Percent that seed plus oil is of the production. 5/ Loans discontinued and purchase price expressed as percent of parity. 6/ F.o.b. southern mills. 7/ Does not include loans outstanding of 3.8 million pounds which were acquired after July 1. 8/ Does not include loans outstanding of 1.2 million bushels acquired after July 1. 9/ Loans extended by CCC. 10/ Does not include loans outstanding of 9.7 million bushels, mostly farm-stored.

Table 31.--Fats, oils, including their products: Production from domestic and imported materials, and factory and warehouse stocks at end of month

Item	Production 1/						Stocks			
	October-September		1966	1967			1966	1967		
	1965-66	1966-67	Sept.	July	Aug.	Sept.	Sept. 30	July 31	Aug. 31	Sept. 30
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
PRIMARY FATS AND OILS										
Food fats and oils										
Butter 2/	1,103.4	1,230.2	68.7	104.9	86.2	75.3	68.4	228.5	233.2	211.4
Lard and rendered pork fat 3/	1,854.0	2,034.0	166.0	144.0	167.0	169.0	64.0	118.4	105.8	106.2
Beef fats	563.4	611.1	46.4	41.7	45.2	43.8	40.3	80.5	72.8	70.3
Total edible animal fats	3,520.8	3,875.3	281.1	290.6	298.4	288.1	172.7	427.4	411.8	387.9
Corn oil	449.5	445.7	35.9	33.9	38.2	39.1	55.4	48.7	45.6	46.9
Cottonseed oil	1,829.6	1,224.0	67.7	30.2	45.4	34.3	201.8	298.3	246.0	207.5
Peanut oil	162.5	171.3	8.1	10.7	13.2	8.6	33.5	47.8	44.4	30.6
Soybean oil	5,799.6	5,972.2	382.1	494.1	480.1	456.1	462.0	632.2	687.5	594.7
Total edible vegetable oils	8,241.2	7,813.2	493.8	568.9	576.9	538.1	752.7	1,027.0	1,023.5	879.7
Soap fats and oils										
Tallow, inedible, and greases excluding wool grease 4/	4,401.1	4,653.5	374.0	353.1	397.1	350.7	417.1	397.4	394.2	410.9
Palm oil 5/	---	---	---	---	---	---	17.3	18.5	16.2	13.4
Fish and marine oil 5/	154.0	123.2	20.5	21.5	22.1	13.0	180.4	167.7	165.0	160.4
Coconut oil	359.4	---	33.2	---	---	---	184.4	114.0	107.8	108.1
Total soap fats	4,914.5	4,776.7	427.7	374.6	419.2	363.7	799.2	697.6	683.2	692.8
Drying Oils										
Castor oil 5/	---	---	---	---	---	---	190.6	155.6	155.1	154.1
Linseed oil	460.0	384.8	44.1	7.2	32.9	37.8	188.6	184.1	185.4	187.4
Safflower seed oil	117.6	8/140.0	31.2	---	---	---	49.5	35.8	44.3	59.4
Tall oil	1,230.8	1,223.0	97.7	95.0	96.6	85.9	257.5	223.3	219.3	193.6
Tung oil	10.0	8/25.0	---	---	---	---	54.4	74.2	71.3	69.0
Total drying oils	1,818.4	1,772.8	173.0	102.2	129.5	123.7	740.6	673.0	675.4	663.5
Grand total 6/ 7/	18,494.9	18,238.0	1,375.6	1,336.3	1,423.9	1,313.6	2,465.2	2,825.0	2.793.9	2,623.9
From domestic materials	18,135.5	18,238.0	1,342.4	1,336.3	1,423.9	1,313.6				
From imported materials	359.4	---	33.2	---	---	---				
FAT-AND-OIL PRODUCTS										
Cooking and salad oils										
Total	2,932.0	2,939.2	219.3	230.3	255.8	251.8	60.6	84.5	93.0	81.2
Soybean	1,792.3	1,918.3	130.9	152.0	169.8	172.5	34.6	58.2	61.9	55.6
Other	1,139.7	1,020.9	88.4	78.3	86.0	79.3	26.0	26.3	31.1	25.6
Baking and frying fats (shortening)										
Total	3,197.9	3,169.2	276.8	221.5	281.3	275.9	116.8	135.8	123.8	127.6
100% vegetable oil	N.A.	2,032.7	179.0	142.2	168.2	181.1	91.4	103.3	92.1	97.6
100% animal fats or blends of vegetable oil and animal fats	N.A.	1,136.5	97.8	79.3	113.1	94.8	25.4	32.5	31.7	30.0
Margarine										
Total	2,039.2	2,137.6	173.4	139.4	176.8	168.2	57.5	61.9	61.4	57.7
1 pound units	1,810.2	1,835.6	148.2	117.9	148.1	141.3	---	---	---	---
All other	228.7	320.7	25.2	23.4	29.6	28.3	---	---	---	---
Fatty Acids	1,125.7	1,087.2	100.0	73.1	92.6	87.3	91.3	104.2	106.2	105.6
Glycerine	352.1	360.5	30.8	27.9	27.0	28.9	38.4	43.5	39.6	39.0
Meat meal and Tankage	3,917.4	4,137.3	353.8	316.5	360.0	342.8	---	---	---	---

1/ Factory production except as otherwise noted.

2/ Creamery butter and cold-storage stocks, United States Department of Agriculture.

3/ Total commercial. Excludes farm production. Federally inspected in October-September 1965-66 totaled 1,655.0 million pounds; October-September 1966-67 totaled 1,826.1 million pounds.

4/ Total apparent production.

5/ Stocks include GSA stockpile.

6/ Computed from unrounded numbers.

7/ Excludes estimated output of farm butter and farm lard, 63 million pounds in October-September 1965-66; 44 million pounds in October-September 1966-67.

8/ Estimate.

Table 32 .--Imports and exports of fats, oils, oil-bearing materials and fat-and-oil products in terms of oil

Item	Imports for consumption					Exports 1/				
	Oct.-Sept.		1967			Oct.-Sept.		1967		
	1965-66	1966-67	July	Aug.	Sept.	1965-66	1966-67	July	Aug.	Sept.
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Food fats and oils										
Butter	3.6	2.2	2/	.1	.1	16.9	4.0	.2	.2	.2
Lard	---	2/	---	---	---	155.9	183.6	19.6	16.3	13.5
Beef fats	1.2	1.3	2/	---	---	15.4	18.8	.3	.4	.6
Total, edible animal fats	4.8	3.5	2/	.1	.1	188.2	206.4	20.1	16.9	14.3
Corn oil	9.8	1.8	---	---	---	---	3/9.1	1.6	1.2	.5
Cottonseed oil	---	16.8	7.0	---	---	272.6	75.8	5.0	2.8	3.0
Cottonseed (17 percent)	---	---	---	---	---	3.3	1.5	2/	2/	---
Olive oil, edible	46.7	54.5	4.1	3.1	3.7	---	---	---	---	---
Peanut oil	2/	---	---	---	---	14.1	5.6	.5	1.3	.9
Peanuts, shelled (43.5 percent)	---	---	---	---	---	42.6	47.4	4.0	4.0	2.8
Soybean oil	---	2/	---	2/	---	922.6	1.072.9	102.9	47.3	128.5
Soybeans (18.3 percent)	2/	2/	---	---	---	2,764.0	2.881.5	185.0	177.8	113.6
Other vegetable oils	15.1	17.1	1.7	1.1	1.4	5.3	6.8	.5	.5	.7
Total, edible vegetable oils	71.6	90.2	12.8	4.2	5.1	4,024.5	4,100.6	299.5	234.9	250.0
Soap fats and oils										
Tallow, inedible	1.1	3.8	.6	.1	.6	1,809.0	2,070.2	203.8	184.8	119.1
Greases	.2	.5	.2	.1	2/	150.5	141.5	11.4	4.9	12.4
Fish and fish liver oils non-medicinal	1.1	7.3	2/	2/	.1	4/101.5	81.8	2.4	24.9	19.4
Marine mammal oils	53.9	*54.9	1.6	9.6	N.A.	---	---	---	---	---
Olive oil, inedible	.7	1.0	2/	2/	2/	---	---	---	---	---
Palm oil	41.3	88.9	---	---	9.8	---	---	---	---	---
Total, slow-lathering oils	98.3	156.4	2.4	9.8	10.5	2,061.0	2,293.5	217.6	214.6	150.9
Coconut oil	508.4	506.6	24.1	18.5	34.2	8.0	10.9	.4	1.8	.5
Copra (64 percent)	437.0	323.5	31.7	48.1	24.8	---	---	---	---	---
Palm kernel oil	100.3	107.0	9.0	3.8	11.0	---	---	---	---	---
Total, lauric-acid oils	1,045.7	937.1	64.8	70.4	70.0	8.0	10.9	.4	1.8	.5
Drying oils										
Flaxseed (35.7 percent)	---	2/	2/	---	---	143.7	117.9	16.9	17.0	2.1
Linseed oil	.1	2/	2/	2/	---	105.8	72.7	1.3	2.5	.1
Oiticica oil	7.8	1.3	.2	.3	---	---	---	---	---	---
Tall oil	---	---	---	---	---	104.7	119.4	10.2	10.8	8.0
Tung oil	27.9	21.2	.9	.4	.8	.8	1.4	.3	.2	.1
Safflower seed (36 percent)	---	---	---	---	---	130.2	79.8	1.0	14.3	19.3
Total	35.8	22.5	1.1	.7	.8	485.2	391.2	29.7	44.8	29.6
Other industrial oils and fats										
Cashew nut shell liquid (oil)	---	---	---	---	---	---	---	---	---	---
Castor oil	120.6	94.6	5.2	10.1	8.8	---	---	---	---	---
Castor beans (46.5 percent)	1.4	2/	---	2/	---	---	---	---	---	---
Fish-liver oils, medicinal	12.1	9.6	.9	.7	1.0	---	---	---	---	---
Rapeseed oil	7.0	8.3	1.2	.1	.6	---	---	---	---	---
Wool grease	5.9	9.3	.8	1.0	.4	---	---	---	---	---
Other vegetable oils and fats, inedible	15.0	12.3	.8	.6	.8	55.7	54.7	2.3	6.5	5.9
Total	162.0	134.1	8.9	12.5	11.6	55.7	54.7	2.3	6.5	5.9
Other products										
Margarine (fat content)	---	---	---	---	---	3.4	4.1	.2	.3	1.6
Shortening	---	---	---	---	---	32.1	33.2	3.7	3.4	2.2
Cooking and salad oils	---	---	---	---	---	---	---	---	---	---
Salad products (fat content)	---	---	---	---	---	6.8	7.1	.7	.6	.6
Soap (fat content)	2.7	*1.9	.2	.2	N.A.	11.2	10.2	.6	.9	.7
Fatty acids	10.2	10.5	.8	1.0	.6	78.9	86.1	7.5	7.3	4.4
Total	12.9	12.4	1.0	1.2	.6	132.4	140.7	12.7	12.5	9.5
Grand total 5/	1,431.0	1,356.4	91.0	99.1	98.7	6,955.2	7,198.1	582.3	532.0	460.7
Glycerine (fat content)	4.8	*4.6	.1	2/	N.A.	43.5	43.0	4.6	4.9	2.7
Tankage	3.4	*4.1	.5	.1	N.A.	---	---	---	---	---

1/ Includes re-exports but not shipments. Shipments average about 90 million pounds per year of which approximately 60 million are lard. Beginning January 1965, includes foreign donations.

2/ Less than 50,000 pounds.

3/ Not reported prior to January 1967.

4/ Beginning January 1965, includes marine mammal oils and fish liver oils.

5/ Computed from unrounded numbers.

* October-August total only.

Table 33.--Index numbers of wholesale prices of fats and oils

Item	1957-59=100				
	September		1967		
	1965	1966	July	August	September
All fats and oils	108	116	92	94	93
All fats and oils, except butter	107	108	80	82	80
Grouped by origin:					
Animal fats	110	119	94	96	95
Vegetable oils, domestic	101	114	88	91	88
Vegetable oils, foreign	103	87	96	96	102
Grouped by use:					
Butter	106	126	113	114	113
Butter, seasonally adjusted	104	124	120	119	111
Lard	117	108	69	73	69
Lard, refined	---	128	98	100	99
Food fats other than butter	107	111	81	84	82
Food fats other than butter and lard	102	112	85	89	87
All edible fats and oils	107	120	97	100	98
Soap fats	108	102	75	75	75
Drying oils	98	97	88	89	88
Other industrial	97	93	80	82	82
All industrial	109	104	78	78	78
Edible vegetable oils, grouped by degree of processing:					
Crude	100	112	87	90	88
Refined	91	108	88	92	91
End products	101	110	101	101	102
Margarine	102	107	100	100	100
Shortening, 3 lb. tin	---	105	96	96	95
Shortening, 400 lb. drum	---	120	103	102	107

All indexes except "Butter, seasonally adjusted" and "Other industrial" from Bureau of Labor Statistics.

Table 34.--Prices received by farmers and prices at terminal markets for specified oil-bearing materials and oilmeals

Item	Unit	September		1967		
		1965	1966	July	August	September
		Dollars	Dollars	Dollars	Dollars	Dollars
OILSEEDS						
Copra, Philippines, c.i.f. Pacific Coast	Short ton	181.38	161.40	177.80	176.50	175.12
Cottonseed, United States average	Short ton	46.30	65.50	59.00	52.00	51.70
Flaxseed, No. 1, Minneapolis	Bushel	3.02	3.20	3.26	--	3.26
Flaxseed, United States average	Bushel	2.73	2.92	2.98	3.02	2.96
Peanuts, United States average (farmers' stock)	100 lb.	11.20	11.20	--	11.40	11.50
Peanuts, Virginias No. 1, shelled, Va.-N.C. 1/	100 lb.	18.75	19.50	20.50	20.00	19.38
Peanuts, Runners No. 1, shelled, Southeast 1/	100 lb.	19.12	19.12	20.00	19.88	19.12
Peanuts. Spanish No. 1, shelled, Southeast 1/	100 lb.	19.12	19.00	19.88	19.00	18.75
Peanuts, Spanish No. 1, shelled, Southwest 1/	100 lb.	19.12	18.88	--	19.00	18.88
Soybeans, No. 1, Yellow, Chicago	Bushel	2.68	3.19	2.83	2.81	2.69
Soybeans, No. 1, Yellow, Illinois country shipping points	Bushel	2.61	3.13	2.74	2.72	2.62
Soybeans, United States average	Bushel	2.35	2.97	2.66	2.56	2.53
OILMEALS (bulk)						
Copra meal, 20 percent protein, Los Angeles	Short ton	82.50	82.00	80.00	80.00	80.00
Cottonseed meal, 41 percent protein, Memphis	Short ton	59.90	79.70	74.50	76.20	79.20
Cottonseed meal, 41 percent protein, Chicago	Short ton	70.30	93.70	83.70	81.60	86.90
Cottonseed meal, 41 percent protein, Atlanta	Short ton	64.90	85.20	77.90	78.25	79.10
Cottonseed meal, 41 percent protein, Ft. Worth	Short ton	65.20	83.30	74.70	75.60	79.90
Fish meal, 60 percent protein, bagged, New York	Short ton	174.00	152.20	131.60	131.50	129.20
Fish meal, 60 percent protein, bagged, Los Angeles	Short ton	174.60	144.00	123.00	123.00	122.20
Linseed meal, 34 percent protein, Minneapolis	Short ton	66.60	81.90	74.60	74.80	74.00
Linseed meal, 34 percent protein, New York	Short ton	84.00	98.30	95.00	95.90	95.40
Peanut meal, 45 percent protein, f.o.b. Southeastern mills	Short ton	73.20	91.60	76.40	72.60	81.20
Safflower meal, 20 percent solvent, San Francisco	Short ton	30.50	34.60	29.00	27.80	27.00
Soybean meal, 44 percent protein, Chicago	Short ton	81.30	92.70	82.60	83.00	83.60
Soybean meal, 44 percent protein, Decatur	Short ton	76.80	88.40	78.20	78.70	79.20
Soybean meal, 44 percent protein, Atlanta	Short ton	86.10	99.00	85.40	86.40	86.90
Soybean meal, 44 percent protein, Memphis	Short ton	83.90	87.00	80.30	82.10	84.00
Soybean meal, 50 percent protein, Decatur	Short ton	89.20	97.90	85.00	86.90	87.60
Soybean meal, 50 percent protein, Memphis	Short ton	92.90	103.50	89.60	91.20	92.00
Soybean meal, 50 percent protein, Atlanta	Short ton	99.10	112.60	94.30	94.20	94.20

1/ This price applies to peanuts for edible uses.

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